



MARKETING ASSOCIATION CONDENSED FINANCIAL STATEMENTS 2018-2019

Vereniging Marketing Associatie
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This report features the balance sheet and income statement from the full financial statements 2018-2019 of the Vereniging Marketing Associatie, to be brought before our members at the General Members Assembly on 20 September 2019.

Notes accompanying these statements, statements on changes in equity and other details are available in the full financial statements, available for review by members by appointment.

This report is a translation of the Dutch text of the 2018-2019 Financial report.

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Rotterdam, 20 September 2019

Dear members,

In accordance with Article 2:48 of the Dutch Civil Code, the board of the Marketing Association EUR ('Vereniging Marketing Associatie') is pleased to present you with its financial report and statements over the 2018-2019 fiscal year - from 1 September 2018 ending on 31 August 2019. The in this report presented financial statements are established in the Board Meeting on the 20th of September 2019.

Under article 2:396, the Marketing Association EUR is exempt from the obligation to have its financial statements audited by an independent auditor. In accordance with Article 2:48 and our articles of association, the financial statements are henceforth verified by the Audit Committee to reflect a fair, complete and accurate representation of the association's activities over the past year. We suggest to our members to agree with the financial statements of 2018-2019, being the balance and profit and loss statement.

For the entire financial statement report we would like to ask to make an appointment with the Treasurer for a complete commentation on all the financials.

Yours sincerely,

R.D. Teertstra
President

E. Pieters
External Relations Coordinator

N. Hoekert
Secretary & Vice-president

A.H. Timmerman
Projects Coordinator

C.S. Meijer
Treasurer

A.D. Gebhard
Marketing Coordinator

1 FINANCIAL REPORT

The association is active in organizing research projects and events, which all have the purpose to connect, give the opportunity to become acquainted and deepen the interested on the marketing industry for all members and students, whom are linked to the Erasmus University Rotterdam.

Development of the results

The association's turnover has decreased from €197.642 in 2017-2018 to €178.882 in 2018-2019. This difference can be explained by the results of the International Consultancy Project and the Marketing Conference. Contradictory, turnover of almost all the other projects increased. This is result of a new pricing strategy in which a 3-tier principle is used in the packages. In addition to more strategic partnerships, inhouse days valued at a new price were considered as a new strategy to diversify revenues.

This year's event portfolio remained mainly the same. The Hackathon changed name to the Big Data Challenge and became in comparison with last year's edition an independent event, satisfying the need of more data in marketing. The main interest of this event belongs to the MSc students of the new master program Data Science & Marketing Analytics at the Erasmus School of Economics. The association has the privilege to serve this new master. This year's Marketing Conference was organized in a new hybrid version with only an afternoon program in respond to the needs of the student.

In the fiscal year 2018-2019 new calculation methods have been used to more accurately present the income statement. This makes it harder to compare the results with previous fiscal year's, but will make it easier in the future. From this year on only revenues that cannot be linked to events or projects are considered as association revenues (Partners & sponsoring). This makes the result more reliable. As a result, the association revenues decreased in comparison with previous years while we see a proportional increase in the project revenues. In addition, a new cost item is added under SG&A. From this year on, alumni cost now have their own cost item instead of being calculated in the cost of sales. As a result, the cost of sales decreased proportionally while we see an increase in the SG&A.

Reserved equity for the movement of the office from H15-26 to the N-building is lifted. In December 2018 the movement to the new office at NT-O9 finally took place while the Erasmus University paid for the costs. Dotations have been made for the benefit of the 10th Lustrum in 2019-2020 and the General reserves. In addition, extra dotations from equity have been made for the benefit of the Lustrum and the provision for bad debts. In 2018-2019 an exceptional income was embedded due revisions from the fiscal year 2017-2018.

Development of most important risks and insecurities

The Marketing Association has no incentive to make profit and the income generated from third parties are used for the organization of projects and events. The collaboration with companies and other partners is essential for that income. That is the main reason for the association to maintain the knowledge, systems and facilities for achieving the results together with their active members. Investments are necessary in time to accomplish the strategic goals. Moreover, the Erasmus University and government (abolition Dutch student scholarship) are discouraging the extra-curricular activities done by students on voluntary basis. This could have a structural impact on the recruitment of active members and participants for events. Stricter rule for application to the master programmes could also compose a risk on the continuity in the future. In addition, cannibalization between student associations, not only on campus, can be a risk. All student associations offer more and more extra-curricular activities which result in an even wider range of variety of activities students can choose of to develop themselves. This phenome can also have a negative impact on the recruitment.

2 BALANCE SHEET PER 31 AUGUST 2019

Balance sheet Marketing Associatie per 31 August 2019

(in rounded €)

	31-Aug 2019	31-Aug 2018
ASSETS		
Fixed Assets		
Inventory	5.624	6.823
Total Fixed Asset	5.624	6.823
Current Assets		
Claims to third parties	37.352	24.983
Prepaid expenses	8.854	7.932
Receivables	8.128	24.265
Total Current Assets	54.334	57.180
Liquid Assets		
Current account ABN Amro	30.960	68.757
Savings account ABN Amro	74.030	14.029
Total Liquid Assets	104.990	82.786
TOTAL ASSETS	164.948	146.789
LIABILITIES		
Current Liabilities		
Dept to suppliers	-49	162
Payables	3.200	3.015
Accrued liabilities	0	0
Deferred income	658	1.362
Income taxes	18.024	16.172
Total current liabilities	21.833	19.711
Provisions		
Provision bad debts	5.000	2.500
Total provisions	5.000	2.500
Equity		
Reserve 10th Lustrum	25.000	20.000
Reserve IT	5.000	4.500
Reserve office moving	0	4.000
General reserves	8.000	6.000
Retained earnings	17.158	11.043
Equity	82.957	78.035
Total Equity	138.114	124.578
TOTALE LIABILITIES	164.948	146.789

*Notes available in the full financial statements exclusively

3 INCOME STATEMENT OF FISCAL YEAR 2018-2019

Income statement Marketing Associatie

1 September 2018 – 31 August 2019

(in rounded €)

	2018-2019	2017-2018
Net turnover		
Projects	167.009	175.596
Partners & sponsoring	7.849	15.200
Membership fees	2.973	3.716
Other revenues	1.051	3.130
Total revenue	178.882	197.642
Cost of sales	112.552	143.226
Gross turnover	66.330	55.416
Sales, General & Administrative (SG&A)		
Active members	9.082	9.213
Alumni	5.905	0
Member drinks	6.323	6.130
Depreciation	3.269	4.732
Promotion	5.461	5.210
Other expenses	8.334	7.959
Total SG&A	38.374	33.244
Board expenses	13.285	10.549
Endowment provision	6.000	9.400
Financial income	8.671	1.223
Interest income & expenses	1	0
Exceptional income & expenses		
Fine Dutch Tax Authority	0	-411
Revaluation remaining reserve collection	0	136
Revaluation credit card 2015-2016	0	824
Exceptional benefits 2018-2019	2.486	0
Total Exceptional income & expenses	2.486	549
Net result	11.158	1.772
* Notes available in the full financial statements exclusively		

4 ASSESEMENT AUDIT COMMITTEE

Rotterdam, 20 September 2019

Dear members,

Based on the annual report as presented during the General Members Assembly on 20 September 2019 it is to us to verify the financial statements of the 50th Board based on the 2018-2019 fiscal year. Verification consist of the following: association equity per balance sheet date and the result over the association's fiscal year, we inform you as follows.

We determined that the financial statements are derived to the Board's administration during the fiscal year 2018-2019. This administration is a continuation of the administration as performed previous year.

We have assessed the integrity of this administration over the finished fiscal year 2018-2019 by partial observations. These observations are carefully planned and executed that according to us this is a solid basis for the opinion that this administration does not consist inaccuracies of material interest.

Accordingly, we have come to the conclusion that the present financial statements are a correct representation of the association's equity per balance sheet date and the result over the association's fiscal year.

Yours sincerely,

Sander Zwijnenburg
Member of the Audit Committee 2018-2019

Sebastiaan Nuij
Member of the Audit Committee 2018-2019