



MARKETING ASSOCIATION

CONDENSED FINANCIAL STATEMENTS

2020-2021

Vereniging Marketing Associatie P.O.
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This report features the balance sheet and income statement from the full financial statements 2020-2021 of the Vereniging Marketing Associatie, to be brought before our members at the General Members Assembly on 18 September 2021.

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 2020-2021 Financial report.

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Rotterdam, 17 September 2021

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 2020-2021 fiscal year – from 1 September 2020 ending on 31 August 2021. The in this report presented financial statements are established in the Board Meeting on the 17th of September 2021.

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 2020-2021, 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 commendation on all the financials.

Yours sincerely,

D.Y.F. Tan
President

J.C. van Santen
External Relations Coordinator

J.C. van Emmerik
Secretary & Vice-president

L.M. van der Valk
Projects Coordinator

M.C. Welling
Treasurer

K.A. Nijssen
Marketing Coordinator

1 FINANCIAL REPORT

The association is active in research projects and events, which aims to provide its members and students affiliated with the Erasmus University Rotterdam with knowledge of the marketing field.

Development of results

The turnover achieved in the 2020-2021 financial year is €52,290 and has a net result of €4,023. This is an increase of almost 24% compared to the previous fiscal year 2019-2020 in which a turnover of €42,297 was recorded. However, the turnover of the last 2 financial years is significantly less than the years before (€178,883 in 2018-2019 and €197,642 in 2017-2018). This strong deviation of turnover can be attributed to the corona crisis and its restrictions and consequences. Almost all events have taken place online this year. Commercial Break, the first major event of the year, was the only one we were able to organize in physical form. The difference with last year can be explained by the fact that this year all events, excluding the International Marketing Trip (formerly Study Trip), did take place. Because the events took place online, the prices that companies paid to participate in an event were significantly reduced. In addition to the decrease in prices, we also closed and/or were able to continue fewer partnerships this year. The biggest cause of this is that companies were more cautious and had less to spend due to the corona crisis. Furthermore, there is a decline in the turnover of the International Consultancy Project. Because of the uncertainty about the exact interpretation of the project due to the corona measures and the reticence of companies, there was only one participating company this year. Whereas previously this amounted to four to five companies.

This year the event portfolio has remained virtually the same. A somewhat larger change is that the Marketing Conference has been changed to the MAEUR Data Conference. Because of the increasingly broader focus by the university on and a growing interest from students in data and analytics, it was decided to make this the subject of the largest MAEUR event. The focus is still on marketing. This event would become too similar to the current Big Data Challenge, so it was decided to change this event as well. The new event that took its place, Neuromarketing & Innovation event, focused mainly on neuromarketing. There appeared to be a tremendous amount of interest from students, but little from companies. Therefore, the advice was given to the new board to reevaluate the event and adjust it if necessary. To make data students even more familiar with MAEUR, it was decided to organize, in addition to the Erasmus Marketing Thesis Awards, also a DSMA Thesis Awards, a thesis awards specifically for the Data Science & Marketing Analytics students of the ESE faculty. Next year, the idea is to combine this event with the new Business and Analytics Management master of the RSM faculty. The content of the Study Trip remained completely the same only the name was changed to the International Marketing Trip. This change took place because there was little enthusiasm from students and companies were not inclined to subsidize a study trip. Finally, this year we tried to organize a Dutch day for the Speed Dating event as well as an English day. However, there was far too little interest from companies, so we kept it to a Dutch day.

Looking at the cost price, this is about 43% of the turnover, where in 2019-2020 it was still 55%. Given that not all events in the year 2019-2020 have continued, these percentages are not directly comparable. It does show that fewer costs are incurred when events take place online. Therefore, in the coming year, we will look at whether some events can remain in their online format from now on. This will only be done if the quality of the event does not suffer. This year's result is positive despite the decline in turnover. This is due to a decrease in the costs of the online events and a decrease in the number of social events that could take place.

This year no use was made of provisions and/or reserves because the year was very uncertain and in addition little was possible. The 10th Lustrum has for this reason been postponed to the next Lustrum, the 11th Lustrum, in the year 2024-2025. Hence, there have been no costs/revenues for this, and the name of the reserve has been changed to 'Earmarked Reserve 11th Lustrum'. The IT appropriated reserve has been replenished because it is expected that a new Customer Relationship Management (CRM) system will be needed in the coming years. In addition, there were several extraordinary expenses and income of a very low magnitude. These consisted mainly of unanticipated costs yet to be paid and unexpected income from the 2019-2020 year.

Development of main risks & uncertainties

As an association, the Marketing Association does not have a profit target, but derives income from its projects. Collaborations with companies and other partners are essential for this income, for which the Association must have the knowledge, systems, and facilities to realize them with active members. Investments are needed over time to achieve the strategic objectives. Internal controls are comprehensive, policies are documented, and systems are in place to promote risk management. One uncertainty that has been added this year is the uncertainty of the Consultancy projects (both the Bachelor Consultancy Project and the International Consultancy Project). The university has decided that possibly in the short term, no more credits will be awarded to students who participate in our Bachelor Consultancy Project which will make it less popular among students, mainly because it falls during the students' minor period. In addition, the contact person and supervisor of the university for both Consultancy projects will stop next year. Because of this it remains to be seen if a suitable successor can be found and how this successor will lead the projects. The Consultancy projects are still our largest source of income and therefore of great importance for the financial health of the association. There is also cannibalization among associations, not just on campus. All associations are increasingly offering extra-curricular opportunities, giving students a wide choice of associations to develop themselves extra. This phenomenon also has its impact on recruitment in a broad sense. Finally, this year, just like last year, the corona virus clearly shows that the association is vulnerable to external circumstances. It is therefore important that sufficient buffers are built up to cope with this. This may have a long aftermath and affect several years financially, because companies are still cautious about spending money

2 BALANCE SHEET PER 31 AUGUST 2021

Balance sheet Marketing Associatie per 31 August 2021

(in rounded €, therefore the "in total" figures in the annual report may have a small deviation compared to the accounting records)

	31-Aug 2021	31-Aug 2020
ASSETS		
Fixed Assets		
Inventory	1.612	3.914
Total Fixed Asset	1.612	3.914
Current Assets		
Claims to third parties	11.495	0
Prepaid expenses	3.194	4.931
Receivables	6.367	0
Total Current Assets	21.056	4.931
Liquid Assets		
Current account ABN Amro	45.065	51.159
Savings account ABN Amro	74.030	74.030
Total Liquid Assets	119.095	104.990 ¹
TOTAL ASSETS	141.763	134.034
LIABILITIES		
Current Liabilities		
Dept to suppliers	0	0
Payables	7.911	1.250
Accrued liabilities	0	0
Deferred income	0	5.116
Income taxes	2.168	970
Total current liabilities	10.079	7.336
Provisions		
Provision bad debts	5.000	5.000
Total provisions	5.000	5.000
Equity		
Reserve 10 th Lustrum	20.250	20.250
Reserve IT	5.000	3.875
General reserves	8.000	8.000

¹ The actual total cash in fiscal year 2019-2020 has a slight deviation (162) from the total noted in the 2019-2020 Annual Report. This deviation is explained by the use of cross items in fiscal year 2020-2021.

Retained earnings	4.986	-10.297
Equity	88.448	99.870
Total Equity	126.684	121.698
TOTALE LIABILITIES	141.763	134.034

3 INCOME STATEMENT OF FISCAL YEAR 2020-2021

Income statement Marketing Associatie

1 September 2020 – 31 August 2021

(in rounded €, therefore the "in total" figures in the annual report may have a small deviation compared to the accounting records)

	2020-2021	2018-2020
Net turnover		
Projects	43.960	32.149
Partners & sponsoring	4.190	4.350
Membership fees	3.990	3.014
Other revenues	150	2.784
Total revenue	52.290	42.297
Cost of sales	12.392	23.158
Gross turnover	39.898	19.139
Sales, General & Administrative (SG&A)	6.052	6.167
Active members		
Alumni	0	913
Member drinks	1.766	4.011
Depreciation	2.302	3.144
Promotion	4.957	2.516
Other expenses	8.407	4.958
Total SG&A	23.484	38.374
Board expenses	11.551	10.310
Endowment provision	1.125	0
Financial income	3.738	-12.880
Interest income & expenses	0	0
Exceptional income & expenses	395	0
Revaluation credit card 2015-2016		
Exceptional benefits 2018-2020	680	2.583
Total Exceptional income & expenses	285	2.583
Net result	4.023	-10.297

* Notes available in the full financial statements exclusively

4 ASSESEMENT AUDIT COMMITTEE

Rotterdam, 17 September 2021

Dear members,

Based on the annual report as presented during the General Members Assembly on 17 September 2021 it is to us to verify the financial statements of the 52nd Board based on the 2020-2021 fiscal year. Verification consists 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 2020-2021. 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 2020-2021 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,

Sebastiaan Nuij
Member of the Audit Committee 2020-2021

Casper Meijer
Member of the Audit Committee 2020-2021

Jasper Heesterbeek
Member of the Audit Committee 2020-2021