



## **REPORT**



## **2 GENERAL**

On July 5, 2021 the Cooperative was converted into a foundation, the articles of association were amended and the name was changed from the Coöperatieve Circle Economy U.A. to Stichting Circle Economy.



### 3 RESULTS

#### DEVELOPMENT OF INCOME AND EXPENSES

As presented in the income statement, the net result for 2021 amounts to € -66,283 (2020: € -61,197).

	2021		2020	
	€	%	€	%
Net revenue	3,453,268	100.0	3,436,238	100.0
Other operating income	223,240	6.5	203,652	5.9
<b>Gross margin</b>	<b>3,676,508</b>	<b>106.5</b>	<b>3,639,890</b>	<b>105.9</b>
Employee benefits	3,483,144	100.9	3,378,168	98.3
<b>Amortisation, depreciation and impairment</b>				
Depreciations of tangible assets	7,440	0.2	11,164	0.3
<b>Other operating expenses</b>				
Accommodation costs	98,354	2.8	94,555	2.8
Sales related expenses	41,664	1.2	110,448	3.2
Office related expenses	53,179	1.5	58,783	1.7
General expenses	68,987	2.0	64,730	1.9
<b>Sum of expenses</b>	<b>3,752,768</b>	<b>108.7</b>	<b>3,717,848</b>	<b>108.2</b>
<b>Operating result</b>	<b>-76,260</b>	<b>-2.2</b>	<b>-77,958</b>	<b>-2.3</b>
Financial income and expense	-3,878	-0.1	-1,588	0.0
Income tax expense	13,855	0.4	18,349	0.5
<b>Result</b>	<b>-66,283</b>	<b>-1.9</b>	<b>-61,197</b>	<b>-1.8</b>

#### RATIOS RESULTS

##### Revenue and margin

	2021	2020	2019	2018
	%	%	%	%
Turnover (index)	100.5	100.0	111.9	82.7
Gross margin (gross margin / net revenue)	106.5	105.9	100.0	100.0
Net margin (net result / net revenue)	-1.9	-1.8	2.9	4.4

##### Employees

	2021	2020	2019	2018
Costs in % sales (employee benefits / net revenue)	101	98	79	85



## 4 FINANCIAL POSITION

### WORKING CAPITAL

A statement of the working capital has been prepared based on the above summary. Working capital is defined as all current assets less current liabilities. The amount of working capital provides information on the liquidity position of the company.

	31 December 2021	31 December 2020
	€	€
Construction contracts (assets)	385,106	209,348
Receivables	325,068	366,178
Cash and cash equivalents	664,639	185,801
<b>Current assets</b>	<b>1,374,813</b>	<b>761,327</b>
Current liabilities	1,380,554	694,716
<b>Working capital</b>	<b>-5,741</b>	<b>66,611</b>

### RATIOS FINANCIAL POSITION

#### Liquidity

The liquidity – defined as the ratio of current assets divided by current liabilities – shows to what extent the company is able to settle its financial liabilities in the short term. The ratios presented below provide insight into the company's liquidity.

	2021 key figure	2020 key figure	2019 key figure	2018 key figure
Current ratio (current assets / current liabilities)	1.00	1.10	1.21	1.05
Quick ratio (current assets minus inventories / current liabilities)	0.72	0.79	0.94	0.85

#### Solvency

The solvency – defined as the ratio of the equity divided by the liabilities or, alternatively, the ratio of equity divided by the sum of equity and liabilities – shows the resilience of the company.

General principles for the solvency level are not available, as this depends on the nature of the company. The ratios presented below provide insight into the company's solvency.

	2021 %	2020 %	2019 %	2018 %
Solvency ratio I (equity / equity and liabilities)	2	12	21	7
Solvency ratio II (equity / liabilities)	2	14	27	8



## 5 FISCAL POSITION

### TAXATION FINANCIAL YEAR

The taxable amount can be calculated as follows:

<i>Calculation taxable amount</i>	2021
	€
Result before tax	-80,138
<b>Fiscal result</b>	-80,138
Tax non-deductible portion of the costs	2,465
<b>Loss available for set-off (Carry back)</b>	-77,673

### INCOME TAX EXPENSES

The taxation according to the income statement can be calculated as follows:

<i>Specification tax burden</i>	2021
	€
Calculated tax payable	-
Movement in provision for deferred taxes	-11,651
Adjustments for prior years	-2,204
<b>Income tax expense in P&amp;L</b>	-13,855

### POSITION IN BALANCE SHEET

The tax payable can be specified as follows:

<i>Specification tax position</i>	31 December 2021
	€
<b>Period</b>	
Calculated tax payable	-
Provisional assessments	-5,956
<b>Net tax payable / (receivable) in B/S</b>	-5,956

The assessments imposed are final through fiscal year 2019.

Amsterdam, June 22, 2022

Horlings Accountants & Belastingadviseurs B.V.

N.C.G. Kuipers  
Registeraccountant

## **DIRECTORS' REPORT**

# 1 DIRECTORS' REPORT

## ORGANISATION AND BOARD

### Goal, strategy and activities

We are a global impact organisation with an international team of passionate experts based in Amsterdam. We empower businesses, cities and nations with practical and scalable solutions to put the circular economy into action.

### Composition Board

#### Supervisory board

- Robert-Jan van Ogtrop (Chairman)
- Andrienne d'Arenberg (Board member)
- Lorenzo Gribnau (Board member)
- Louise Vet (Board member)
- Herman Wijffels (Board member)

#### Executive Board

- Martijn Lopes Cardozo (CEO)
- Ivonne Bojoh (COO & Director Digital)
- Hatty Cooper (Director Government & Institutions)
- Marc de Wit (Director Strategic Partnerships)

## ACTIVITIES FINANCIAL YEAR

### Activity results

#### Decision makers have knowledge to access circular strategies

- Switching Gear: Toolbox Published + 4 x Textiles Brands Launch Circular Pilots
- 168k social media followers / 34% growth on LinkedIn / 50k Website Visitors
- 25 Reports published in 2021 and over 200+ International press mentions

#### Evidence and tools are available through digital platforms

- 50k annual users of the Knowledge Hub
- UNEP 100 Cities - Mapping Circular Jobs Global
- Circle Lab for Cities - Pilot Phase in 10 US Cities

#### Circle Scans completed for business, cities and nations

- Business x 7 - Action, Mattoni, Hempel
- Cities x 8 - inc. Mattaro, Toronto, Montreal
- Nations x 5 - inc. Quebec (Can), Croatia, Lithuania, Peru, Victoria (Aus)

The actual revenues and costs of the year 2021 are lower than the budget of 2021.

The results are marginally negative inspite of the NOW subsidies and the EMERGENCY SUPPORT COVID-19 which is received from MAVA Foundation.

Note: for more details refer to the publicly available 2021 impact report

**NEXT FINANCIAL YEAR**

**Board intentions and decisions**

Our vision is an economic system that ensures all people and the planet can thrive. Our goal is to double global circularity by 2032.

**Summary budget**

<i>Budget 2022</i>	Amount / €
Total revenues	4,500,000
Total costs	-4,356,100
Operational costs	-100,000
<b>Net results</b>	<b>43,900</b>

Amsterdam, d.d. ....

*Name director*

*Signature*

M.E. Lopes-Cardozo



Martijn Lopes Cardozo (Jun 22, 2022 16:27 GMT+2)

M.P de Wit



Marc (Jun 29, 2022 22:30 GMT+2)

Hatty Cooper



H Baird (Jul 1, 2022 16:30 GMT+2)

Ivonne Bojoh



Ivonne Bojoh (Jun 29, 2022 22:01 GMT+2)



## **FINANCIAL STATEMENTS 2021**



## 1 BALANCE SHEET AS AT DECEMBER 31, 2021

### ASSETS

<i>(after profit appropriation)</i>		31 December 2021		31 December 2020
	€	€	€	€
<b>Non-current assets</b>				
Property, plant and equipment		15,245		20,827
Financial assets		19,757		8,106
<b>Current assets</b>				
Construction contracts		385,106		209,348
<b>Receivables</b>				
Trade receivables	208,288		273,432	
Tax receivables	5,956		-	
Other receivables	54,100		50,900	
Accrued income	56,724		41,846	
		325,068		366,178
Cash and cash equivalents		664,639		185,801
<b>Total</b>		<b>1,409,815</b>		<b>790,260</b>

### EQUITY AND LIABILITIES

<i>(after profit appropriation)</i>		31 December 2021		31 December 2020
	€	€	€	€
<b>Equity</b>				
Other reserves	29,261		95,544	
		29,261		95,544
<b>Current liabilities</b>				
Payables to banks	-		4,079	
Trade payables	46,691		116,772	
Taxes payable and social security contributions payable	366,569		142,732	
Other payables	475,822		222,034	
Accruals	491,472		209,099	
		1,380,554		694,716
<b>Total</b>		<b>1,409,815</b>		<b>790,260</b>



## 2 STATEMENT OF INCOME AND EXPENDITURE 2021

	Budget 2021	2021	2020
	€	€	€
Net revenue	4,838,706	3,453,268	3,436,238
Other operating income	-	223,240	203,652
<b>Operating income</b>	<b>4,838,706</b>	<b>3,676,508</b>	<b>3,639,890</b>
<b>Employee benefits</b>			
Wages and salaries	4,311,488	2,306,381	2,188,588
Social security contributions	-	387,010	376,299
Pension costs	-	99,337	106,523
Other employee benefits	-	690,416	706,758
<b>Amortisation, depreciation and impairment</b>			
Depreciations of tangible assets	-	7,440	11,164
<b>Other operating expenses</b>			
Accommodation costs	475,033	98,354	94,555
Sales related expenses	-	41,664	110,448
Office related expenses	-	53,179	58,783
General expenses	-	68,987	64,730
<b>Operating expenses</b>	<b>4,786,521</b>	<b>3,752,768</b>	<b>3,717,848</b>
<b>Operating result</b>	<b>52,185</b>	<b>-76,260</b>	<b>-77,958</b>
<b>Financial income and expense</b>			
Interest expenses and related expenses	-	-3,878	-1,588
<b>Result from ordinary activities before tax</b>	<b>52,185</b>	<b>-80,138</b>	<b>-79,546</b>
Income tax expense	-	13,855	18,349
<b>Result</b>	<b>52,185</b>	<b>-66,283</b>	<b>-61,197</b>
<i>Result allocation</i>			
<b>Allocated result</b>	<b>-</b>	<b>-66,283</b>	<b>-61,197</b>



## 5 NOTES TO BALANCE SHEET

### PROPERTY, PLANT AND EQUIPMENT

	31 December 2021	31 December 2020
	€	€
Machinery	15,245	20,827
<b>Total</b>	<b>15,245</b>	<b>20,827</b>

Movements in other fixed assets during 2021 can be broken down as follows:

	Machinery €
<b>Carrying value January 1, 2021</b>	
Cost or manufacturing price	61,197
Accumulated amortisation and impairments	-40,370
	<u>20,827</u>
<b>Movements 2021</b>	
Additions	1,858
Depreciation	-7,440
	<u>-5,582</u>
<b>Carrying value December 31, 2021</b>	
Cost or manufacturing price	63,055
Accumulated amortisation and impairments	-47,810
	<u>15,245</u>
Depreciation rate (average)	20.0

#### Disclosure

The rate of depreciation for other fixed assets is 20%.

### FINANCIAL ASSETS

	31 December 2021	31 December 2020
	€	€
<b>Deferred tax assets</b>		
Available tax losses	11,651	-
Other receivables	8,106	8,106
<b>Total</b>	<b>19,757</b>	<b>8,106</b>



## CONSTRUCTION CONTRACTS

	31 December 2021	31 December 2020
	€	€
<b>Actual project costs</b>		
Other projects	295,819	122,681
Adessium Foundation	-	60,321
Goldschmeding Foundation	22,730	-
MAVA IV	319	26,346
MAVA - CL4C 2.0	66,238	-
<b>Total construction contracts classified as assets</b>	<b>385,106</b>	<b>209,348</b>

## RECEIVABLES

	31 December 2021	31 December 2020
	€	€
Trade receivables, gross	208,288	273,432
<b>Tax receivables</b>		
Corporate income tax	5,956	-
Other receivables	54,100	50,900
Accrued income	56,724	41,846
<b>Total</b>	<b>325,068</b>	<b>366,178</b>

## CASH AND CASH EQUIVALENTS

	31 December 2021	31 December 2020
	€	€
Bank credits	664,639	185,801
<b>Total</b>	<b>664,639</b>	<b>185,801</b>

## EQUITY

	31 December 2021	31 December 2020
	€	€
<b>Total</b>	<b>29,261</b>	<b>95,544</b>



## CURRENT LIABILITIES

	31 December 2021	31 December 2020
	€	€
Payables to banks	-	4,079
Trade payables	46,691	116,772
<b>Taxes payable and social security contributions payable</b>		
Corporation income tax	-	8,947
VAT	22,112	46,667
Wage tax and social security	344,457	87,118
	<u>366,569</u>	<u>142,732</u>
<b>Other payables</b>		
De Hoge Dennen	17,838	-
MAVA Foundation	28,171	31,914
C&A Foundation	613	16,926
Redevco Foundation	39,392	-
Goldschmeding Foundation	106,000	123,087
Laudes	-	50,107
UNIDO SWITCH	216,434	-
CGR BE	37,374	-
Other	30,000	-
	<u>475,822</u>	<u>222,034</u>
<b>Accruals</b>		
NOW-5 payable	17,800	-
Accrued expenses	31,615	26,551
Pre-invoiced revenue	438,674	182,548
Salary payable	3,383	-
	<u>491,472</u>	<u>209,099</u>
<b>Total</b>	<u><u>1,380,554</u></u>	<u><u>694,716</u></u>

## CONTINGENT LIABILITIES

### Payments to obtain usage rights

#### Office rent agreements

For the rent of the office at Mauritskade 64 in Amsterdam a rent agreement has been signed. The office rent amounting to € 70,677 per year will be valid until March 31, 2022. After the expiration of the said period, this agreement is continued for a subsequent period of one year.

The service costs amount to € 20,034 per year.



## 6 NOTES TO INCOME STATEMENT

### REVENUE AND GROSS MARGIN

	2021	2020
	€	€
<b>Net revenue</b>		
Revenues Memberships	3,358	22,884
Revenues Private Partnerships	640,512	809,666
Revenues Trust and Foundations	1,660,334	1,876,749
Revenues Public Partnerships	1,139,173	704,411
Revenues Other income	9,891	22,528
	<u>3,453,268</u>	<u>3,436,238</u>
Other operating income	223,240	203,652
<b>Operating income</b>	<u>3,676,508</u>	<u>3,639,890</u>
<b>Gross margin</b>	<u>3,676,508</u>	<u>3,639,890</u>

### Other operating income

Due to the corona crisis, Stichting Circle Economy has claimed a compensation for temporary emergency bridging measure for sustained employment ( *Tijdelijke Noodmaatregel Overbrugging voor Werkbehoud NOW 5*) for the months of April, May, and June 2021. (2021: NOW 2)

### EMPLOYEE BENEFITS

	2021	2020
	€	€
<b>Wages and salaries</b>		
Salaries and wages including holiday allowance	2,380,837	2,182,776
30% Allowance (Extraterritorial costs)	20,752	43,094
Sickness benefit	-95,208	-37,282
	<u>2,306,381</u>	<u>2,188,588</u>
Social security contributions	387,010	376,299
Pension costs	99,337	106,523
<b>Other employee benefits</b>		
Cost of subcontracted work	556,406	605,667
Other employee benefit	134,010	101,091
	<u>690,416</u>	<u>706,758</u>
<b>Total</b>	<u>3,483,144</u>	<u>3,378,168</u>

### Disclosure

During 2021, on average 50.2 employees were employed on a full-time basis (2020: 48.0).



## AMORTISATION, DEPRECIATION AND IMPAIRMENT

	2021	2020
	€	€
Depreciation of tangible assets	7,440	8,226
Result of sale of tangible assets	-	2,938
<b>Total</b>	<b>7,440</b>	<b>11,164</b>

## OTHER OPERATING EXPENSES

	2021	2020
	€	€
Accommodation costs	98,354	94,555
Sales related expenses	41,664	110,448
Office related expenses	53,179	58,783
General expenses	68,987	64,730
<b>Total</b>	<b>262,184</b>	<b>328,516</b>

## FINANCIAL INCOME AND EXPENSE

	2021	2020
	€	€
Interest expenses other parties	-3,878	-1,588
<b>Financial income and expense</b>	<b>-3,878</b>	<b>-1,588</b>

## TAXATION

	2021	2020
	€	€
Income tax expense from current financial year	-11,651	-13,758
Income tax expense from previous financial years	-2,204	-4,591
<b>Income tax expense</b>	<b>-13,855</b>	<b>-18,349</b>