

REPORT

2 RESULTS

DEVELOPMENT OF INCOME AND EXPENSES

As presented in the income statement, the net result for 2022 amounts to € -74,068 (2021: € -66,283).

	2022		2021	
	€	%	€	%
Net revenue	4,934,609	100.0	3,453,268	100.0
Other operating income	-	-	223,240	6.5
Gross margin	4,934,609	100.0	3,676,508	106.5
Employee benefits	4,516,716	91.5	3,483,144	100.9
Amortisation, depreciation and impairment				
Amortisations of intangible assets	4,424	0.1	-	-
Depreciations of tangible assets	6,476	0.1	7,440	0.2
Other operating expenses				
Accommodation costs	109,625	2.2	98,354	2.8
Sales related expenses	163,537	3.3	41,664	1.2
Office related expenses	78,440	1.6	53,179	1.5
General expenses	122,625	2.5	68,987	2.0
Sum of expenses	5,001,843	101.4	3,752,768	108.7
Operating result	-67,234	-1.4	-76,260	-2.2
Financial income and expense	-18,471	-0.4	-3,878	-0.1
Result before tax	-85,705	-1.7	-80,138	-2.3
Income tax expense	11,637	0.2	13,855	0.4
Result	-74,068	-1.5	-66,283	-1.9

RATIOS RESULTS

Revenue and margin

	2022	2021	2020	2019	2018
	%	%	%	%	%
Turnover (index)	142.9	100.0	99.5	111.4	82.3
Gross margin (gross margin / net revenue)	100.0	106.5	105.9	100.0	100.0
Net margin (net result / net revenue)	-1.5	-1.9	-1.8	2.9	3.3

Employees

	2022	2021	2020	2019	2018
Costs in % sales (employee benefits / net revenue)	92	101	98	79	85

3 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.

	December 31, 2022	December 31, 2021
	€	€
Construction contracts (assets)	269,383	385,106
Receivables	850,709	325,068
Cash and cash equivalents	150,897	664,639
Current assets	1,270,989	1,374,813
Current liabilities	1,163,462	1,121,612
Working capital	107,527	253,201

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.

	2022 key figure	2021 key figure	2020 key figure	2019 key figure	2018 key figure
Current ratio (current assets / current liabilities)	1.09	1.23	1.10	1.21	1.05
Quick ratio (current assets minus inventories / current liabilities)	0.86	0.88	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.

	2022 %	2021 %	2020 %	2019 %	2018 %
Solvency ratio I (equity / equity and liabilities)	-3	2	12	21	7
Solvency ratio II (equity / liabilities)	-3	2	14	27	8

4 FISCAL POSITION

TAXATION FINANCIAL YEAR

The taxable amount can be calculated as follows:

<i>Calculation taxable amount</i>	2022
	€
Result before tax	-85,705
Fiscal result	-85,705
Tax non-deductible portion of the costs	12,108
Taxable amount	-73,597

The compensable losses are recognized as a deferred tax asset.

INCOME TAX EXPENSES

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

<i>Specification tax burden</i>	2022
	€
Calculated tax payable	-
Movement in provision for deferred taxes	-11,040
Adjustments for prior years	-597
Income tax expense in P&L	-11,637

POSITION IN BALANCE SHEET

The tax position can be specified as follows:

<i>Specification tax position</i>	31 December 2022
	€
Period	
Calculated tax payable	-
Provisional assessments 2022	-5,955
	-5,955
Previous periods	
Provisional assessments 2021	-5,956
Loss 2021 carry-back to 2020	-6,570
	-12,526
Net tax payable / (receivable) in B/S	-18,481

The assessments imposed are final through fiscal year 2020.

TAX LOSSES

Fiscal losses are compensatable with any future profits.

The losses that still need to be offset as of December 31, 2022 are listed below:"

	Balance January 1, 2022	Loss in year	Balance December 31, 2022
	€	€	€
<i>Deferred tax assets</i>			
Compensable loss 2021	37,854	-	37,854
Loss 2022	-	73,597	73,597
Total compensable losses	37,854	73,597	111,451

Deferred tax assets	15.00 % of	111,451	16,718
Deferred tax assets			16,718

The losses have been valued at 15%, amounting to € 16,718 and recorded on the balance sheet under deferred tax assets.

Amsterdam, December 28, 2023

Horlings Accountants & Belastingadviseurs B.V.



N.C.G. Kuipers
Registeraccountant

FINANCIAL STATEMENTS 2022

1 BALANCE SHEET AS AT DECEMBER 31, 2022

ASSETS

<i>(after profit appropriation)</i>		31 December 2022		31 December 2021
	€	€	€	€
Non-current assets				
Intangible assets		25,576		-
Property, plant and equipment		8,769		15,245
Financial assets		24,824		19,757
Current assets				
Construction contracts		269,383		385,106
Receivables				
Trade receivables	750,887		208,288	
Tax receivables	18,481		5,956	
Other receivables	-		54,100	
Accrued income	81,341		56,724	
		850,709		325,068
Cash and cash equivalents		150,897		664,639
Total		<u>1,330,158</u>		<u>1,409,815</u>

EQUITY AND LIABILITIES

<i>(after profit appropriation)</i>		31 December 2022		31 December 2021
	€	€	€	€
Equity				
Other reserves	-44,807		29,261	
		-44,807		29,261
Non-current liabilities		211,503		258,942
Current liabilities				
Trade payables	127,600		46,691	
Taxes payable and social security contributions payable	198,286		107,627	
Other payables	8,485		475,822	
Accruals	829,091		491,472	
		1,163,462		1,121,612
Total		<u>1,330,158</u>		<u>1,409,815</u>

2 STATEMENT OF INCOME AND EXPENDITURE 2022

	Budget 2022	2022	2021
	€	€	€
Net revenue	4,500,000	4,934,609	3,453,268
Other operating income	-	-	223,240
Operating income	4,500,000	4,934,609	3,676,508
Employee benefits			
Wages and salaries	4,356,100	2,573,950	2,306,381
Social security contributions	-	456,835	387,010
Pension costs	-	131,786	99,337
Other employee benefits	-	1,354,145	690,416
Amortisation, depreciation and impairment			
Amortisations of intangible assets	-	4,424	-
Depreciations of tangible assets	-	6,476	7,440
Other operating expenses			
Accommodation costs	100,000	109,625	98,354
Sales related expenses	-	163,537	41,664
Office related expenses	-	78,440	53,179
General expenses	-	122,625	68,987
Operating expenses	4,456,100	5,001,843	3,752,768
Operating result	43,900	-67,234	-76,260
Financial income and expense			
Interest expenses and related expenses	-	-18,471	-3,878
Result from ordinary activities before tax	43,900	-85,705	-80,138
Income tax expense	-	11,637	13,855
Result	43,900	-74,068	-66,283
<i>Result allocation</i>			
Allocated result	-	-74,068	-66,283

3 GENERAL NOTES

Most important activities

The activities of Stichting Circle Economy, having its legal seat at Amsterdam primarily consist of providing to the need of its members regarding the exchange of knowledge, expertise and financing of working according to the principles of the circular economy.

Location actual activities

The registered and actual address of Stichting Circle Economy is Mauritskade 64, 1092 AD in Amsterdam, The Netherlands and is registered at the chamber of commerce under number 52051048.

Going concern

The financial statements show a negative result and a negative equity which could raise concerns about the continuity of the foundation. Based on the forecast of 2023 and the interim figures of 2023 the board is convinced that the continuity is not unsecure.

Estimates

In applying the principles and policies for drawing up the financial statements, the directors of Stichting Circle Economy make different estimates and judgments that may be essential to the amounts disclosed in the financial statements. If it is necessary in order to provide transparency, the nature of these estimates and judgments, including related assumptions, is disclosed in the notes to the relevant financial statement item.

5 NOTES TO BALANCE SHEET

INTANGIBLE ASSETS

Onderstaand overzicht geeft het verloop van de immateriële vaste activa gedurende het boekjaar weer:

	Patents, trademarks and other rights
	€
Carrying value January 1, 2022	
Cost or manufacturing price	-
	-
Movements 2022	
Additions	30,000
Amortisation	-4,424
	25,576
Carrying value December 31, 2022	
Cost or manufacturing price	30,000
Accumulated amortisation and impairments	-4,424
	25,576
Amortisation rate	33,3

Disclosure

The amortisation percentage used for intangible fixed assets is 33.3%.

PROPERTY, PLANT AND EQUIPMENT

	31 December 2022	31 December 2021
	€	€
Machinery	8,769	15,245
Total	8,769	15,245

Movements in other fixed assets during 2022 can be broken down as follows:

	Machinery
	€
Carrying value January 1, 2022	
Cost or manufacturing price	63,055
Accumulated amortisation and impairments	-47,810
	15,245

	Machinery
	€
Movements 2022	
Depreciation	-6,476
	<u>-6,476</u>
Carrying value December 31, 2022	
Cost or manufacturing price	63,055
Accumulated amortisation and impairments	-54,286
	<u>8,769</u>
Depreciation rate (average)	20.0

Disclosure

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

FINANCIAL ASSETS

	31 December 2022	31 December 2021
	€	€
Deferred tax assets		
Available tax losses	16,718	11,651
Other receivables	8,106	8,106
Total	<u>24,824</u>	<u>19,757</u>

CONSTRUCTION CONTRACTS

	31 December 2022	31 December 2021
	€	€
Actual project costs		
Other projects	269,383	295,819
Goldschmeding Foundation	-	22,730
MAVA IV	-	319
MAVA - CL4C 2.0	-	66,238
Total construction contracts classified as assets	<u>269,383</u>	<u>385,106</u>

RECEIVABLES

	31 December 2022	31 December 2021
	€	€
Trade receivables, gross	750,887	208,288
Tax receivables		
Corporate income tax	18,481	5,956
Other receivables	-	54,100
Accrued income	81,341	56,724
Total	850,709	325,068

CASH AND CASH EQUIVALENTS

	31 December 2022	31 December 2021
	€	€
Bank credits	150,897	664,639
Total	150,897	664,639

EQUITY

	31 December 2022	31 December 2021
	€	€
Total	-44,807	29,261

NON-CURRENT LIABILITIES

	31 December 2022	31 December 2021
	€	€
Taxes payable and social security contributions payable		
Wage tax and social security	197,263	258,942
Other payables	14,240	-
Total	211,503	258,942

Maturity

Repayment obligations falling due within 12 months from the end of the financial year, as set out above, are included in current liabilities. The remainder of the obligations are due within 60 months.

CURRENT LIABILITIES

	31 December 2022	31 December 2021
	€	€
Trade payables	127,600	46,691
Taxes payable and social security contributions payable		
VAT	44,466	22,112
Wage tax and social security	153,820	85,515
	<hr/> 198,286	<hr/> 107,627
Other payables		
De Hoge Dennen	-	17,838
MAVA Foundation	-	28,171
C&A Foundation	-	613
Redevco Foundation	-	39,392
Goldschmeding Foundation	-	106,000
UNIDO SWITCH	-	216,434
CGR BE	-	37,374
Other	8,485	30,000
	<hr/> 8,485	<hr/> 475,822
Accruals		
NOW-5 payable	3,560	17,800
Accrued expenses	31,145	31,615
Pre-invoiced revenue	791,002	438,674
Salary payable	3,384	3,383
	<hr/> 829,091	<hr/> 491,472
Total	<hr/> 1,163,462	<hr/> 1,121,612

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, 2024. 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

	2022	2021
	€	€
Net revenue		
Revenues Memberships	-	3,358
Revenues Private Partnerships	-	640,512
Revenues Trust and Foundations	-	1,660,334
Revenues Public Partnerships	-	1,139,173
Revenues Other income	24,699	9,891
Revenue Projects	3,890,262	-
Revenue Digital	604,300	-
Revenues Trust and Foundations - Core Funding	262,789	-
Revenue CEC	137,702	-
Revenue Screening	14,857	-
	<u>4,934,609</u>	<u>3,453,268</u>
Other operating income	-	223,240
Operating income	<u>4,934,609</u>	<u>3,676,508</u>
Gross margin	<u>4,934,609</u>	<u>3,676,508</u>

EMPLOYEE BENEFITS

	2022	2021
	€	€
Wages and salaries		
Salaries and wages including holiday allowance	2,621,718	2,380,837
30% Allowance (Extraterritorial costs)	24,298	20,752
Sickness benefit	-72,066	-95,208
	<u>2,573,950</u>	<u>2,306,381</u>
Social security contributions	456,835	387,010
Pension costs	131,786	99,337
Other employee benefits		
Cost of subcontracted work	1,131,504	556,406
Other employee benefit	222,641	134,010
	<u>1,354,145</u>	<u>690,416</u>
Total	<u>4,516,716</u>	<u>3,483,144</u>

Disclosure

During 2022, on average 56.9 employees were employed on a full-time basis (2021: 50.2).

AMORTISATION, DEPRECIATION AND IMPAIRMENT

	2022	2021
	€	€
Amortisation of intangible assets	4,424	-
Depreciation of tangible assets	6,476	7,440
Total	10,900	7,440

OTHER OPERATING EXPENSES

	2022	2021
	€	€
Accommodation costs	109,625	98,354
Sales related expenses	163,537	41,664
Office related expenses	78,440	53,179
General expenses	122,625	68,987
Total	474,227	262,184

FINANCIAL INCOME AND EXPENSE

	2022	2021
	€	€
Interest expenses other parties	-18,471	-3,878
Financial income and expense	-18,471	-3,878

TAXATION

	2022	2021
	€	€
Deferred income tax expense	-11,637	-
Income tax expense from current financial year	-	-11,651
Income tax expense from previous financial years	-	-2,204
Income tax expense	-11,637	-13,855