



Free Press Unlimited financial report 2016

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Introduction

2016 marked the start of our new Strategic Partnership with the Dutch Ministry of Foreign Affairs and of our Syria programme with the Swedish International Development Cooperation Agency (Sida). To top it all off, 2016 ended with the announcement by Nationale Postcode Loterij that it would substantially increase its structural funding for our work.

The latter event in particular is clearly reflected in our operating surplus for 2016. The funding increase was only announced late in the year, and Free Press Unlimited enters this income on the balance for the year in which the associated lottery tickets were sold. As a result, 2016 ended with an exceptionally high positive balance: totalling over € 760,000. We have added this surplus to our continuity reserve, which presently stands at close to € 2.3 million euro. This addition couldn't have been timelier, since due to the recent growth of our organisation, Free Press Unlimited's operating costs have increased to € 3 million per year. Our policy is to ensure that the continuity reserve covers 70 to 150 percent of our annual operating costs. The addition in the present financial year once again puts the continuity reserve at 75% of our operating costs, which is well within the established margin.

In addition to strengthening our continuity in 2016, we are pleased to say that over the past year, we also successfully rounded off a number of large-scale, long-term projects without having to record any losses or uncovered costs. For example, in June of 2016, we saw the final acceptance and approval of our report on the StoryMaker project, which started in 2012 and represented a total programme investment of € 2.2 million. And this list also includes the i-Stream project with Internews (USD 1.1 million), our project in Somalia, which was supported by the EU (with a budget of over € 1.1 million) and a project in Syria with a budget of € 3.0 million, which could also count on financial contributions from Sida.

We are able to continue our activities in Somalia with funding allocated within the new Strategic Partnership, and Sida has once again pledged its support to our projects in Syria. Through these and other programmes, we work to make a lasting difference in the areas that we are active in. We are still examining our options to follow up the aforementioned StoryMaker project.

We are not only extremely grateful to Nationale Postcode Loterij for their decision to increase their structural support to Free Press Unlimited. We also sincerely thank them for their contributions to three specific projects: 'The Future is Now' (a programme within which we set up news bulletins for children all over the world), Nepal Save the Date (in partnership with dance4life) and the Postcode Loterij Fund for Journalists. In 2016, we once again received an extra contribution for the latter project. This project contribution has allowed us to expand the funding programme, so that journalists can now apply for up to € 16,500 in funding for in-depth investigative reports that could not have been realised without the fund's support.

And finally, 2016 was the year in which we really starting building the new Russian-language news platform Russian-Language News Exchange. After the Dutch Ministry of Foreign Affairs pledged its support to this project in late 2015 – in the shape of a contribution of € 1.3 million – the European organisation European Endowment for Democracy joined as a donor in 2016. The European Union has also contributed € 1 million to the project. This means that we have presently achieved our target: the greater part of the project is presently covered in financial terms. Naturally, we will work to ensure that the Russian-Language News Exchange can continue its activities in the years ahead.

And of course, the same applies to all our activities in which we work to promote independent journalism and to achieve our mission: provide people all over the world with access to independent information. We are extremely grateful to our private and institutional donors for supporting us in this endeavour, because... People deserve to know!

Ruth Kronenburg
April 2017

Balance sheet as at 31 December 2016

All amounts in euro

Assets	31-12-2016	31-12-2015
Fixed Assets		
Intangible fixed assets		
Website	20,727	38,553
Tangible fixed assets		
Renovation	69,836	90,430
Office supplies	26,565	27,514
Hardware and software	55,088	37,598
Total tangible fixed assets	151,489	155,542
Total fixed assets	172,216	194,095
Current assets		
Accruals	509,356	450,967
Accounts receivable and advances	108,141	92,716
Grants to be received	2,588,014	2,442,257
Total current assets	3,205,510	2,985,941
Liquid assets		
The Netherlands	5,808,664	4,031,054
Abroad	99,892	65,590
Total liquid assets	5,908,556	4,096,643
Total assets	9,286,282	7,276,679

Balance sheet as at 31 December 2016

All amounts in euro

Liabilities	31-12-2016	31-12-2015
Reserves and funds		
Continuity reserve	2,264,712	1,500,581
Reporters Respond Security Fund	27,490	27,490
Total reserves and funds	2,292,202	1,528,071
Current liabilities		
Payables related to staff	304,454	339,118
Payable to suppliers	263,441	220,298
Other short-term liabilities	219,708	254,967
Obligations in connection with current projects	2,145,053	1,410,981
Grants received in advance	4,061,425	3,523,244
Total current liabilities	6,994,080	5,748,608
Total liabilities	9,286,282	7,276,679

Statement of income and expenses

All amounts in euro

Income	2016	budget	2015
Income from own fundraising activities	817,935	1,445,000	1,058,694
Income from third-party activities	2,199,035	1,580,000	1,305,461
Government grants	13,370,935	13,565,000	12,613,457
Other income	110,292	25,000	75,477
Total income	16,498,196	16,615,000	15,053,090
Expenses			
Spent on the organisation's objective			
Media support programme	14,993,126	15,719,199	14,675,453
Spent on the acquisition of new funds			
Costs of own fundraising activities	60,763	182,731	45,901
Acquisition costs for government grants	243,052	310,100	183,605
	303,814	492,831	229,506
Spent on management and accounting			
Management and accounting costs	437,864	398,294	249,352
Total expenses	15,734,804	16,610,325	15,154,312
Balance of income and expenses	763,392	4,675	-101,222
Appropriation of the balance			
Additions to/withdrawals from:			
Continuity reserve	764,131	4,675	-92,660
Withdrawal Security Fund	0	0	-8,562
Total	764,131	4,675	-101,222
Financial ratios			
	2015	budget	2014
Spent on the organisation's objective/Total income	90.88%	94.61%	97.49%
Spent on organisation's objective/Total expenses	95.29%	94.64%	96.84%
Costs of own fundraising activities/Income from own fundraising activities	7.43%	12.65%	4.34%
Management and accounting costs/Total expenses	2.78%	2.40%	1.65%

Cash flow statement

All amounts in euro

Cash flow statement	2016	2015
<i>Operational activities</i>		
Balance of income and expenses in the financial year	764,131	-101,223
Depreciations	85,400	70,870
Gross cash flow on the basis of operational activities	849,531	-30,353
Changes in current assets	-219,569	628,603
Changes in current liabilities	1,245,472	-1,389,792
Net cash flow on the basis of operational activities	1,875,434	-791,542
<i>Investment activities</i>		
Changes to fixed assets	-63,521	-66,701
Divestment fixed assets	0	0
Changes in liquid assets	1,811,913	-858,243
Liquid assets at the start of the financial year	4,096,643	4,954,885
Liquid assets at the end of the financial year	5,908,556	4,096,643
Changes in liquid assets	1,811,913	-858,242

Accounting principles

Free Press Unlimited's statement of accounts is drawn up in accordance with the revised Dutch Accounting Standards for Fundraising Institutions, *Richtlijn 650 (version 2011)*. This Standard is in line with international standards, general guidelines and the CBF quality standard.

Accounting principles

Consolidation

The financial report for 2016 has been drawn up on the basis of a consolidation of the financial accounts of Stichting Free Press Unlimited, Free Voice South Sudan (FVSS) and *our office in Eastern Europe*. We are obliged to include the items from the latter two organisations in our accounts, to comply with the stipulations of the Guideline for annual reporting and our formal consultation and participation structure. Nevertheless, Free Press Unlimited intends this to be a purely temporary arrangement – one that we strive to abolish as soon as possible in the case of both FVSS and *our office in Eastern Europe*. Free Press Unlimited wishes to emphasise that in actuality, both foundations will operate on an independent basis.

Accounting principles

Intangible fixed assets

The intangible fixed assets are valued at their purchase cost minus the depreciations determined on the basis of the asset's estimated lifespan. The depreciation term for the website is 3 years (33.3%).

Tangible fixed assets

The tangible fixed assets are valued at their purchase cost minus the depreciations determined on the basis of the asset's estimated lifespan.

The depreciation term for the switchboard, computers and other hardware and software is 3 years (33.3%). The office furniture and equipment are depreciated in 5 years (20%) and the renovation is depreciated in 7 years (14.3%).

Receivables and accrued receivables

Receivables and accrued receivables are valued at nominal value minus certain impairments.

Obligations in connection with current projects

The item 'Obligations in connection' with current projects is the balance of contracts actually entered into with partner organisations (obligations) minus advance payments to these partner organisations.

Grants received in advance/Grants to be received

Many grants have a term that extends beyond a single calendar year. The difference between the advance awarded by the donor (the organisation issuing the grant) in a specific financial year and the project funds that are spent in that same year (realised grant income) is accounted for on the balance sheet as a 'Grants received in advance'.

If the realised grant income amounts exceed the donor's advance, the difference is entered on the balance sheet as a receivable.

Accrued liabilities

Accrued liabilities are valued at nominal value.

Accounting principles for the balance of income and expenses

Grant Income

Grant income amounts are allocated on the basis of the realised direct and indirect spending on the organisation's objective within the guidelines established in the grant decision.

Contributions and donations

Contributions and donations are accounted for in their year of receipt. Consequently, contributions and donations received in advance are not taken into account.

Allocation of costs

Management and administration costs, the costs of the organisation's fundraising activities and costs of various objectives have been calculated based on an apportionment formula in accordance with the revised Dutch Accounting Standards for Fundraising Institutions (*Richtlijn 650*), as explained on page 18.

Balance of income and expenses

The balance of income and expenses is calculated as the income that can be allocated to the relevant financial year minus the expenses required to realise this income.

Notes to the balance sheet

All amounts in euro

Assets				
Intangible fixed assets	total			
<i>Balance at the start of the financial year</i>				
Purchase cost	53,530			
Cumulative depreciations	-14,977			
Book value at the start of the financial year	38,553			
<i>Changes over the course of the financial year</i>				
Additions to fixed assets	0			
Depreciations	-17,826			
Balance of changes over the course of the financial year	-17,826			
<i>Balance at the end of the financial year</i>				
Purchase cost	53,530			
Cumulative depreciations at the end of the financial year	-32,803			
Book value at the end of the financial year	20,727			

This investment in 2014 and partly in 2015 concerns the entirely renewed website.

Tangible fixed assets	total	office furniture	hardware software	renovation
Non-current assets required for Free Press Unlimited's regular operations				
<i>Balance at the start of the financial year</i>				
Purchase cost	385,422	130,933	93,855	160,634
Cumulative depreciations	-229,880	-103,419	-56,257	-70,204
Book value at the start of the financial year	155,542	27,514	37,598	90,430
<i>Changes over the course of the financial year</i>				
Additions to fixed assets	63,521	14,266	46,619	2,636
Disposal of fixed assets	0	0	0	0
Depreciations of disposals	0	0	0	0
Depreciations	-67,574	-15,215	-29,129	-23,230
Balance of changes over the course of the financial year	-4,053	-949	17,490	-20,594
<i>Balance at the end of the financial year</i>				
Purchase cost	448,943	145,199	140,474	163,270
Cumulative depreciations at the end of the financial year	-297,454	-118,634	-85,386	-93,434
Book value at the end of the financial year	151,489	26,565	55,088	69,836

Investments in 2016 mainly relate to office furniture and initial investments in a new project management system.

Notes to the balance sheet

All amounts in euro

Current assets	31-12-2016	31-12-2015
<i>Accruals</i>		
Pension premium advance	414,543	335,150
Various securities	82,125	103,130
Other prepayments	12,688	12,687
Total	509,356	450,967
<i>Accounts receivable and advances</i>		
Advances to external contractors	42,981	18,779
Current account Stichting Publeaks	22,732	33,029
Other accounts receivable	20,928	5,835
Accrued interest	12,732	15,068
Advances to own staff	6,417	3,078
Amounts yet to be invoiced	2,350	16,927
Total	108,141	92,716
<i>Grants to be received</i>		
Nationale Postcode Loterij	900,000	500,000
Anonymous donations - Sudan / South Sudan / Iran	630,286	1,047,538
Ministry of Foreign Affairs - Various projects	448,479	173,410
European Union	389,228	441,957
Ministry of Foreign Affairs - MFS-II	129,228	132,921
Cordaid	37,881	0
Dance4Life	32,503	63,174
Various	20,408	83,257
Total	2,588,014	2,442,257

Notes to the balance sheet

All amounts in euro

Liquid assets	31-12-2016	31-12-2015
<i>The Netherlands</i>		
ASN Bank	2,223,253	2,409,132
ABN AMRO Bank	1,779,340	416,850
ING Bank	1,803,681	1,202,812
Cash	2,390	2,259
Total	5,808,664	4,031,054
<i>Abroad</i>		
Eastern Europe office	50,290	0
Free Voice - South Sudan office / Kenia	49,602	44,230
Somalia office	0	21,359
Total	99,892	65,590

All cash and cash equivalents (liquid assets) are at the free disposal of the organisation. The total includes an equivalent of € 617,771 in balances on US dollar accounts.

Free Press Unlimited supports the Dutch Fair Bank Guide (Eerlijke Bankwijzer). However, due to the nature and location of a number of our activities, we are also required to keep accounts with banks that do not score very high in the Dutch Fair Bank Guide overview.

Notes to the balance sheet

All amounts in euro

Liabilities		
Reserves and funds	31-12-2016	31-12-2015
<i>Continuity reserve</i>		
Balance as of 1 January	1,500,581	1,593,241
Appropriation to reserve	764,131	-92,660
Balance as at 31 December	2,264,712	1,500,581
<i>Security Fund Reporters Respond</i>		
Balance as of 1 January	27,490	36,052
Contributions	0	0
Spent on the organisation's objective	0	-8,562
Balance as at 31 December	27,490	27,490

We will be adding our operating surplus for 2016 to the continuity reserve, which brings this reserve to a total of 75% of our operating costs for one year (2015: 75%).

Policy in relation to the continuity reserve

The Supervisory Board and the Board of Directors have agreed on a continuity reserve policy to safeguard the Foundation's continuity. The necessary reserves have been set at an amount equivalent to the organisation's operating costs for 1 year, in compliance with CBF regulations (which stipulates a reserve for a maximum of 1.5 years).

This reserve can be used to cover possible financial setbacks without directly endangering the continuity of our organisation or our ability to fulfil existing obligations. From 2016 on, Free Press Unlimited's operating costs for a full year have been set at € 3 million. In the period until the end of 2015, these costs were estimated to be € 2 million: this figure has presently been adjusted in response to the increase in the number of permanent employment contracts and the growth of the organisation as a whole.

Notes to the balance sheet

All amounts in euro

Current liabilities	31-12-2016	31-12-2015
Obligations in connection with current projects	2,145,053	1,410,981
Payable to suppliers	263,441	220,298
Reserves for holiday allowances	126,586	84,438
Other short-term liabilities	170,926	250,475
Severance scheme provisions	98,142	152,107
Provisions for statutory leave entitlements	77,370	53,036
Pension premiums	48,781	4,492
Taxes and social security contributions	2,356	49,536
Total	2,932,655	2,225,364

The item 'Other short-term liabilities' includes an amount of € 69,730 charged against the balance of our office in Eastern Europe.

<i>Grants to be received or returned</i>	31-12-2016	31-12-2015
Ministry of Foreign Affairs - Various projects	1,364,145	728,533
Various donations - Syria	1,290,709	628,465
Nationale Postcode Loterij - WADADA News for Kids	462,841	1,115,457
Nationale Postcode Loterij - Lottery Fund	372,127	51,961
European Union	344,477	395,410
Anonymous donations - Sudan / South Sudan / Iran	133,663	526,066
Various	93,464	64,583
Ministry of Foreign Affairs - MFS-II	0	12,770
Total	4,061,425	3,523,244

Financial obligations that are not included on the balance sheet

Free Press Unlimited has entered into a rental agreement for an office space and 5 parking spaces at Weesperstraat 3-5 in Amsterdam. The current three-year rental period terminates on 1 October 2018. The initial rent amounts to € 140,327 per annum. The bank has issued a guarantee for this agreement amounting to €44,383.

On 22 January 2014, Free Press Unlimited entered into an operational lease contract for a multi-purpose printer/copier/scanner for a term of 3.5 years. The annual costs are € 5,520, with settlement of non-budgeted use at the end of the year.

The funding awarded by the Dutch Ministry of Foreign Affairs to the programme 'No News is Bad News' has a

term of five years (2016-2020). This funding is subject to certain conditions. Every year, the Ministry reserves the right to make cuts in the awarded funding. Free Press Unlimited has incorporated this condition in the contracts it enters into with its partners, and has limited the term of these agreements accordingly.

The funding awarded by the Swedish International Development Cooperation Agency (Sida) to the programme 'Ethical Journalism for Syria' also has a term of five years (September 2016 - September 2021). When applied to the entire term of the programme, this funding covers 70% of the programme's budget. Free Press Unlimited will be seeking co-funding for the remaining 30%. It has been contractually agreed with Sida to re-evaluate this condition if Free Press Unlimited fails to achieve this target.

Notes to the statement of income and expenses

All amounts in euro

Income	2016	budget	2015
Income from own fundraising activities			
Various donors - South Sudan	690,659	1,000,000	724,934
Deutsche Welle - Burundi	-22,823	0	69,655
Contributions from private donors	54,194	20,000	62,124
Various income from the <i>Internet Protection Lab</i>	27,873	150,000	96,400
Other income	68,033	275,000	105,582
	817,935	1,445,000	1,058,694
Income from third-party activities			
Nationale Postcode Loterij - WADADA / dance4life Nepal / Fonds	970,449	930,000	654,242
Nationale Postcode Loterij - structural funding	900,000	500,000	500,000
Cordaid - CAR/DRC (2016) South Sudan (2015)	150,542	150,000	100,937
Other income	178,043	0	50,282
	2,199,035	1,580,000	1,305,461
Government grants			
Ministry of Foreign Affairs - SP / MFS-II	5,946,867	6,410,000	3,620,581
Ministry of Foreign Affairs - MFS-II (Press Freedom 2.0)	0	0	1,726,980
Various donors - Radio Darfur Network / Radio Tamazuj	2,443,500	600,000	1,885,018
Swedish International Development Cooperation Agency - Syria	2,058,115	600,000	1,408,130
European Union	1,249,552	1,635,000	1,399,994
Ministry of Foreign Affairs / EED - RLNE	702,671	670,000	0
Anonymous donation - Radio Zamaneh / StoryMaker Iran	267,711	30,000	1,300,246
Ministry of Foreign Affairs - StoryMaker	168,561	250,000	325,333
Ministry of Foreign Affairs - Central African Republic	160,892	20,000	58,351
Kingdom of the Netherlands - Tunisia	90,566	50,000	18,225
Ministry of Foreign Affairs - Mrs.	78,515	200,000	266,899
Ministry of Foreign Affairs - Syria	0	0	159,266
Ministry of Foreign Affairs - various	0	0	313,698
Other grants	203,984	3,100,000	130,736
	13,370,935	13,565,000	12,613,457
Other income			
Exchange rate / cash differences	84,618	0	59,913
Interest	25,674	25,000	15,564
	110,292	25,000	75,477
Total general income	16,498,196	16,615,000	15,053,090

Notes to the statement of income and expenses

All amounts in euro

Explanation regarding the differences

Free Press Unlimited has been active in fundraising throughout the year. As a result, subsidies may be awarded throughout the year. However, the budget is drawn up and approved in September of the preceding year, meaning that the organisation includes an assumption regarding the expected income.

The mandatory structuring of the budget into four categories (income from own fundraising activities; income from third-party activities; government grants; other income) as set out in Guideline 650 means that there may be significant deviations between actual and budgeted income amounts in each category.

Notes to the statement of income and expenses

All amounts in euro

Expenses	2016	budget	2015
Spent on the organisation's objective (not including the allocated costs of Free Press Unlimited's own organisation)			
MFS-II: Press Freedom 2.0	0	0	357,327
MFS-II: PF 2.0 Alliance partners	0	0	1,726,980
MFS-II: People Unlimited 4.1	0	0	613,790
MFS-II: Freedom from Fear	0	0	340,437
MFS-II: Conn@ct.now	0	0	192,580
MFS-II: Girl Power	0	0	332,008
	0	0	3,563,122
Strategic Partnership: No News is Bad News	4,060,436	5,110,250	0
Syria	2,473,996	600,000	2,105,387
South Sudan	1,518,391	1,000,000	1,252,813
Radio Darfur Network / Radio Tamazuj	1,254,456	500,000	1,240,554
Russian Language News Exchange	610,537	500,000	0
WADADA News for Kids	399,506	350,000	312,376
Radio Zamaneh	288,807	25,000	1,253,982
Zambia	236,462	120,000	180,974
Somalia (excl. MFS-II)	173,373	250,000	461,912
Fund for Journalists	170,475	200,000	70,812
Central African Republic	120,579	150,000	54,277
StoryMaker	108,664	200,000	183,654
Nepal	107,979	100,000	0
CAR/DRC (2016) South Sudan (2015) Cordaid	101,916	100,000	107,380
Tunisia	71,244	40,000	0
Mrs. - Voice for Women	27,653	150,000	240,630
Internet Protection Lab	16,489	30,000	172,359
Bangladesh (not including MFS-II)	0	0	188,377
Burundi	0	0	47,593
European Capability for Situational Awareness	0	0	43,331
Democratic Republic of the Congo (not including MFS-II)	0	0	13,984
Other projects	59,852	2,875,075	345,135
	11,800,815	12,300,325	11,838,651
Allocated costs of own organisation	3,933,989	4,310,000	3,313,361
Total expenses	15,734,804	16,610,325	15,152,012

Remuneration of the members of the Board of Directors

All amounts in euro

The remuneration policy complies with the standards for top incomes set by the WNT (max. EUR 163,000) and the DG standard set by the Ministry of Foreign Affairs.

The remuneration policy is explained in the notes to the 2016 Annual Report. These notes indicate that the members of Free Press Unlimited's Supervisory Board are not reimbursed for their activities.

Name/position	employment contract	gross salary	holiday allowance	pension employer's contribution	total 2016	total 2015
L.A.M. Willems <i>Director of Policy and Programmes</i>	Full-time 38 hours per week 01.01 - 31.12	87,570	6,981	11,210	105,761	106,836
R.C.E. Kronenburg <i>Director of Operations</i>	Full-time 38 hours per week 01.01 - 31.12	78,649	6,270	9,887	94,806	95,826

Staffing ratios

Over 2016, Free Press Unlimited employed an average of 60.9 FTE (2015: 50.9 FTE). This includes both permanent and temporary contracts. The workforce can be subdivided into 51.4 FTE in organisation positions at Free Press Unlimited and 9.5 FTE working within the *Radio Dabanga* project. Please refer to the Annual Report for further details.

Specification and allocation of costs according to category

All amounts in euro

category:	objective	acquisition of income			total 2016	budget 2016	total 2015
		Own fundraising activities	Acquisition of government grants	Management & accounting			
Expenses:	Media support						
Grants for partner organisations/own activities	11,744,932	10,420	41,678	3,785	11,800,815	12,300,000	11,840,951
Staff costs	2,867,398	44,441	177,765	383,191	3,472,795	3,772,000	2,944,959
Housing costs	128,416	1,990	7,961	17,161	155,528	185,000	134,227
Office costs	252,380	3,912	15,646	33,727	305,665	353,000	234,174
Total	14,993,126	60,763	243,052	437,864	15,734,804	16,610,000	15,154,312

As prescribed in Guideline 650, costs are allocated to the objective of Free Press Unlimited, acquisition of income and management and accounting. Allocation is based on the following principles:

- Direct costs are allocated directly,
- Indirect costs are allocated based on an apportionment formula based on the number of FTE per category:

	% of the total number of FTE
Media support	82.57%
Own fundraising activities	1.28%
Acquisition of government grants	5.12%
Management & accounting	11.03%
	100.00%

Staff costs as shown above under 'total 2016' can be subdivided into:

Salary costs	1,982,217
Social security premiums	440,730
Pension premiums	260,847
Other staff costs	789,001
	3,472,795

Independent auditor's report



INDEPENDENT AUDITOR'S REPORT

To: the Management Board of Free Press Unlimited.

A. Report on the audit of the financial statements 2016 included in the annual report

Our opinion

We have audited the financial statements 2016 of Free Press Unlimited based in Amsterdam.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Free Press Unlimited as at 31 December 2016 and of its result for 2016 in accordance with the Guidelines for annual reporting 650 "Fundraising Institutions" of the Dutch Accounting Standards Board and the Policy rules implementation of the Public and Semi-public Sector Senior Officials (Standard Remuneration) Act (WNT).

The financial statements comprise:

1. the balance sheet as at 31 December 2016;
2. the income and expenditure account for 2016; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Free Press Unlimited 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).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Dubois & Co. Registeraccountants is een maatschap van praktijkvennootschappen. Op alle opdrachten die aan ons kantoor worden verstrekt zijn onze algemene voorwaarden van toepassing. Deze voorwaarden, waarvan de tekst is opgenomen op de website www.dubois.nl, bevatten een aansprakelijkheidsbeperking.



B. Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- summary;
- the Management Board's report;
- our work in 10 story's;
- our approach;
- our stakeholders;
- our organisation.

Based on the following procedures performed, we conclude that the other information is consistent with the financial statements and does not contain material misstatements.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements. Management is responsible for the preparation of the other information, including the Management Board's report, in accordance with the Guidelines for annual reporting 650 "Fundraising Institutions" of the Dutch Accounting Standards Board.

C. Description of responsibilities regarding the financial statements

Responsibilities of the Board for the financial statements

The Board is responsible for the preparation and fair presentation of the financial statements, in accordance with the Guidelines for annual reporting 650 "Fundraising Institutions" of the Dutch Accounting Standards Board and the Policy rules implementation of the Public and Semi-public Sector Senior Officials (Standard Remuneration) Act (WNT). Furthermore, the Board is 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 is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the Board should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The Board 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 objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, as well as the Policy rules implementation WNT, including the Audit Protocol WNT, ethical requirements and independence requirements. Our audit included e.g.:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board;
- concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Amsterdam, 26 April 2017

Dubois & Co. Registeraccountants

Signed on original by:
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