



MARKETING ASSOCIATION
CONDENSED FINANCIAL STATEMENTS
2019-2020

Vereniging Marketing Associatie

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This report features the balance sheet and income statement from the full financial statements 2019-2020 of the Vereniging Marketing Associatie, to be brought before our members at the General Members Assembly on 18 September 2020.

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 2019-2020 Financial report.

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Rotterdam, 18 September 2020

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 2019-2020 fiscal year – from 1 September 2019 ending on 31 August 2020. The in this report presented financial statements are established in the Board Meeting on the 18th of September 2020.

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 2019-2020, 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,

J.M.S Koch
President

B.J. Wilmink
External Relations Coordinator

M.T. Kromwijk
Secretary & Vice-president

E.A. Wulff
Projects Coordinator

J.H. Heesterbeek
Treasurer

B. de Koning
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 €178.882 in 2018-2019 to €42.297 in 2019-2020. As result of this drop in revenue, the fiscal year ended with a net loss of €10.297. This difference can be explained because of the large amount of events that had to cancel due to Corona restriction. The cancelled events were: Speeddating, Big Data Challenge, Marketing conference, Studytrip and the international consultancy project (ICP). For ICP we found a alternative solution and provided desk research for the remaining students, to minimize cost but also to give the students some consultancy experience. The events that happened before Corona had a similar result as previous years. The net loss is due to overhead cost that could not be covered due to the cancelled events.

This year's event portfolio remained mainly the same. The biggest change is that the Data Science & Marketing Analytics committee was introduced. This committee needs to fulfil the needs of the DSMA students and connect them to the association. The committee organises multiple smaller events instead of one big events like the other committees. Another change is that the Speeddating event would have one English day instead of two Dutch days. This was done in line with the vision that every student should be able to go to every event the association organises. Unfortunately this pilot did not happen due to Corona, therefore it will be tested next year. Moreover, this year the final decision about the future of the Marketing Conference would been taken, however this is also postponed to next year due to Corona.

In the fiscal year 2019-2020 the kick-off expenses are booked as event costs instead of board expenses like the year before. Furthermore, the way partnership costs were calculated changed. This is to increase the revenue for the association and was needed due to the lower demand of online promotion like Facebook, Direct mailing & Career portal. However, as can be seen in the annual report the association revenues are still much lower than previous years, this is due to the cancellation of multiple events which caused the termination of multiple partnerships. The events that did happen had in comparison to previous year a cost of sales of 55% were 63% was realised in 2018-2019. This shows that under normal circumstances the financial result would be as good as last year or better.

This year some of the reserves were used, the IT-reserve was used to facilitate the transition of account programs, from Davilex to Visma e-accounting, this was needed because the old system was outdated and online accounting was not possible. The accountant was hired because some of the data was not interpreted right by the new system and needed to be checked. The accountant found exceptional benefits, besides he concluded that the net result from 2018-2019 should be -244 lower than it was stated in the old annual report. This change is processed in this annual report. Finally, the 10th lustrum reserves were used for the old board diner & lustrum marketing as stated in the lustrum plan.

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. Finally, as can be seen in this annual report, the association is vulnerable for external threats such as the corona virus. Therefore it is wise to make sure there are enough reserves and capital available to survive such threats .

2 BALANCE SHEET PER 31 AUGUST 2020

Balance sheet Marketing Associatie per 31 August 2020

(in rounded €)

	31-Aug 2020	31-Aug 2019
ASSETS		
Fixed Assets		
Inventory	3.914	5.624
Total Fixed Asset	3.914	5.624
Current Assets		
Claims to third parties	0	37.352
Prepaid expenses	4.931	8.854
Receivables	0	8.128
Total Current Assets	4.931	54.334
Liquid Assets		
Current account ABN Amro	51.159	30.960
Savings account ABN Amro	74.030	74.030
Total Liquid Assets	104.990	82.786
TOTAL ASSETS	134.034	164.948
LIABILITIES		
Current Liabilities		
Dept to suppliers	0	-49
Payables	1.250	3.200
Accrued liabilities	0	0
Deferred income	5.116	658
Income taxes	970	18.024
Total current liabilities	7.336	21.833
Provisions		
Provision bad debts	5.000	5.000
Total provisions	5.000	5.000
Equity		
Reserve 10th Lustrum	20.250	25.000
Reserve IT	3.875	5.000
General reserves	8.000	8.000
Retained earnings	-10.297	16.914 ¹
Equity	99.870	82.957
Total Equity	121.698	138.114
TOTALE LIABILITIES	134.034	164.948

¹ In comparison with the annual report of 2018-2019 this changed with -244, this is due to a internal mistake of the accountancy program. The statements presented in this annual report are representative and correct.

3 INCOME STATEMENT OF FISCAL YEAR 2019-2020

Income statement Marketing Associatie

1 September 2019 – 31 August 2020

(in rounded €)

	2019-2020	2018-2019
Net turnover		
Projects	32.149	167.009
Partners & sponsoring	4.350	7.849
Membership fees	3.014	2.973
Other revenues	2.784	1.052
Total revenue	42.297	178.882
Cost of sales	23.158	112.552
Gross turnover	19.139	66.330
Sales, General & Administrative (SG&A)		
Active members	6.167	9.082
Alumni	913	5.905
Member drinks	4.011	6.323
Depreciation	3.144	3.269
Promotion	2.516	5.461
Other expenses	4.958	8.334
Total SG&A	38.374	33.244
Board expenses	10.310	13.285
Endowment provision	0	6.000
Financial income	-12.880	8.671
Interest income & expenses	0	1
Exceptional income & expenses		
Revaluation credit card 2015-2016	0	0
Exceptional benefits 2018-2019	2.583	2.486
Total Exceptional income & expenses	2.583	2.486
Net result	-10.297	11.158
* Notes available in the full financial statements exclusively		

4 ASSESEMENT AUDIT COMMITTEE

Rotterdam, 18 September 2020

Dear members,

Based on the annual report as presented during the General Members Assembly on 18 September 2020 it is to us to verify the financial statements of the 51st Board based on the 2019-2020 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 2019-2020. 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 2019-2020 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 2019-2020

Sebastiaan Nuij
Member of the Audit Committee 2019-2020

Casper Meijer
Member of the Audit Committee 2019-2020