

**Stichting Musicians without Borders
Alkmaar**

Financial report 2008

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The Foundation

1.1 Purpose

Pursuant to Article 2 of its Articles, the foundation's purpose is:

- a To use music to bridge ethnic, religious and ideological divides between people;
- b To organize encounters between musicians and other professionals to exchange know-how and experience;
- c To provide support to musicians and music organizations in the form of material assistance and musical services, in the broadest sense;
- d To perform any further acts related to the purpose above, or which may be conducive to that purpose.

The foundation seeks to achieve its purpose by, inter alia, organizing, planning and/or funding activities carried out by individuals and groups that strive to objects set out above anywhere in the world.

1.2 Breakdown of capital and reserves

The foundation's capital and reserves can be broken down into:

- a Income from the foundation activities;
- b Subsidies and contributions;
- c Donations and acquisitions by way of testamentary dispositions and specific legacies;
- d All other acquisitions and income.

1.3 Board

During the relevant fiscal year, the foundation's board was formed by:

- J.H.M. van Hussen chair
- J.J. Wortel treasurer/secretary
- F.E. Deug
- A.M. Kho
- I.C.S. Ritchie

To the board of
Stichting Musicians without Borders
Sporstraat 38
1815 BK Alkmaar

Noord-Scharwoude, 11 maart 2008
Financial report 2008

Dear Sir/Madam,

In accordance with your instructions and based on the data provided by you, we have compiled the Financial statements for 2008 of the Stichting Musicians without Borders, established in Alkmaar, the Netherlands, as laid down in the present financial report.

The foundation's board will bear the responsibility for the accuracy and completeness of those data and the annual financial statements based on same.

In accordance with the general guidelines that apply in the Netherlands with respect to compilation engagements, the work mainly consisted of collecting, processing, categorizing and summarizing financial data. It follows of the nature and scope of this work that this engagement cannot provide such certainty regarding the accuracy of the financial statements as derived from an audit's report or a review report.

Based on the data with which we were furnished, we have drawn up the financial statements in accordance with the reporting policies that are generally accepted in the Netherlands.

With kind regards,

P. Boersma
Administratiekantoor Boersma
De Mossel 11
1723 HZ Noord-Scharwoude

2.1 Balance as per 31-12-2008

	31-12-2008	31-12-2007
	€	€
ASSETS		
Fixed Assets	1.698	1.939
Current Assets		
Receivables	32.459	19.355
Cash	<u>45.839</u>	<u>69.268</u>
	<u>78.298</u>	<u>88.623</u>
Total	<u>79.996</u>	<u>90.562</u>

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	31-12-2008	31-12-2007
	€	€
LIABILITIES		
Capital and Reserves	46.823	43.626
Current Liabilities		
Taxes and social security contributions	8.116	3.067
Other liabilities and deferred income	<u>25.057</u>	<u>69.268</u>
	<u>33.173</u>	<u>46.936</u>
Total	<u>79.996</u>	<u>90.562</u>

2.2 Statement of income and expenses for 2008

	2008 €	2007 €
Income		
Income of projects and activities	229.490	260.626
Direct costs of projects and activities	<u>155.871</u>	<u>176.419</u>
	<u>73.619</u>	<u>84.207</u>
Expenses		
Salaries	91.021	77.217
Social Security costs	<u>10.397</u>	<u>9.195</u>
	101.418	86.412
Salaries allocated to projects	<u>51.802</u>	<u>66.258</u>
	49.616	20.154
Depreciation of fixed Assets	1.060	490
Other operating costs	<u>20.542</u>	<u>55.464</u>
Total expenses	<u>71.218</u>	<u>76.108</u>
Balance of income and expenses	<u>2.401</u>	<u>8.099</u>
Interest income	1.070	1.832
Interest expense	<u>274</u>	<u>79</u>
Operating result	<u>3.197</u>	<u>9.852</u>

2.3 Financial position and cash flow statement for 2008

The calculation of the financial position is laid down below (rounded off to €1.000)

	2008	2007
	€	€
Current Assets		
Receivables	32.000	20.000
Cash	<u>46.000</u>	<u>69.000</u>
	(a) <u>78.000</u>	<u>89.000</u>
Current Liabilities		
Taxes/social security	8.000	3.000
Other liabilities and deferred income	<u>25.000</u>	<u>44.000</u>
	(b) <u>33.000</u>	<u>47.000</u>
Liquidity position	(a-b) 45.000	42.000
Fixed assets	<u>2.000</u>	<u>2.000</u>
Capital invested in the foundation	<u>47.000</u>	<u>44.000</u>
Financed with:		
Equity	<u>47.000</u>	<u>44.000</u>

Cash Flow from operating activities

	2008
	€
Operating result	3.000
Depreciation	<u>1.000</u>
Cash Flow	4.000
Decrease in working capital	<u>27.000</u>
Cash flow from operating activities represents decrease in cash	<u>23.000</u>
Decrease in working capital as a result of:	
Decrease in current liabilities	14.000
Increase in receivables	<u>13.000</u>
Decrease in working capital	<u>27.000</u>

2.4 Notes to the financial statements 2008

Reporting policies

1. Accounting policies for purposes of the balance:

Fixed assets

The fixed assets were valued on the basis of their purchase price, less the applicable straight line depreciation based on the estimated useful life and calculated on the basis of the purchase price. During the year of purchase, the assets are depreciated pro rata.

Receivables

The receivables are carried at face value, in so far as necessary subject to a value adjustment for bad and doubtful debts.

Cash

Cash at bank and hand is carried at face value.

Current liabilities

The current liabilities are carried at face value.

2. Accounting policies for determining the result

General

The result is fixed by determining the difference between income from donations and gifts, services provided and other income achieved during the fiscal year and the foundation's operating costs.

Operating costs

The operating costs are based on the acquisition price and are allocated to fiscal year to which they pertain.

Interest income and expense

The interest income and expense pertains to the interest received from bank and third parties with respect to the relevant fiscal year.

Notes to the balance 31-12-2008

ASSETS

Fixed assets

The movements in the fixed assets for 2008 may be described as follows:

	€
Balance as per 31-12-2007	1.939
Investments 2008	819
Depreciation	<u>1.060</u>
Balance as per 31-12-2008	<u>1.698</u>
Accumulated cost	3.248
Accumulated depreciation	<u>1.550</u>
Balance as per 31-12-2008	<u>1.698</u>

LIABILITIES

Equity

The movements in the equity during the fiscal years 2007 and 2008 may be described as follows:

	€
Balance as per 31-12-2006	33.774
Operating result 2007	<u>9.852</u>
Balance as per 31-12-2007	43.626
Operating result 2008	<u>3.198</u>
Balance as per 31-12-2008	<u>46.823</u>

Liabilities not included in the balance sheet

Based on the rent agreements entered into, the annual rent liability amounts to € 7.260

3.1 Breakdown of the items included in the balance as per 31-12-2008

Assets	2008	2007
	€	€
Current assets		
Receivables		
Subsidy from NBE	0	10.000
Subsidy for projects	0	5.772
Vermogens Fonds	27.000	0
Interest from bank	1.070	1.839
Miscellaneous	<u>4.389</u>	<u>1.744</u>
	<u>32.459</u>	<u>19.355</u>
Cash		
Cash	289	655
Postbank	26.942	17.837
Postbank rentemeerrekening	<u>18.608</u>	<u>50.776</u>
	<u>45.839</u>	<u>69.268</u>
Liabilities		
Current Liabilities		
Wage tax/social security contributions	<u>8.116</u>	<u>3.067</u>
	<u>8.116</u>	<u>3.067</u>
Other liabilities and deferred income		
Salary costs	0	484
Holiday allowances	3.984	3.314
Advance payments from NCDO (23-12-2008)	10.263	0
Advance payments from Oxfam/Novib for conf	0	12.517
Miscellaneous	<u>10.810</u>	<u>27.554</u>
	<u>25.057</u>	<u>43.869</u>

3.2 Breakdown of the items included in the statement of income and expenses for 2008

	2008	2007
	€	€
Income		
Donations Individual	27.249	15.298
Third-party benefits	2.965	3.940
General Cordaid subsidy	0	77.000
Store/cd sales	1.800	0
Income from projects and activities	<u>197.476</u>	<u>164.388</u>
	<u>229.490</u>	<u>260.626</u>

Breakdown by project 2008

	Income	Expenses	Salary costs	Margin
	€	€	€	€
Instrument Fund	25	898	11.616	12.489 -/-
LeLeMam	13.871	6.281	3.776	3.814
Mihira	4.237	991	32	3.213
Music Bus	17.118	11.124	2.048	3.946
OPT Music Bus	0	0	5.024	5.024 -/-
NBE 2007	8.705	1.805	2.944	3.956
MwB Concerts	4.679	4.048	5.892	5.291 -/-
Oxfam Novib Conf	12.517	0	320	12.197
Oxfam Novib Toolkit	0	2.373	3.734	6.107 -/-
Mitrovica	32.764	32.761	6.624	6.621 -/-
Palestina opt Novib	68.710	16.114	1.440	51.156
Vrouwen van Bosnië	5.000	0	736	4.264
NBE 2008	18.682	21.840	0	3.159 -/-
Europa Cantat Conf	11.200	5.834	7.616	2.250 -/-
	<u>197.476</u>	<u>104.069</u>	<u>51.802</u>	<u>41.605</u>

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	2008	2007
	€	€
Miscellaneous operating costs		
Other staff costs	6.120	4.791
Office accommodation costs	7.260	7.266
General Costs	<u>7.161</u>	<u>43.407</u>
	<u>20.542</u>	<u>55.464</u>
Office accommodation costs		
Rent office	7.260	7.260
Maintenance office	<u>0</u>	<u>6</u>
	<u>7.260</u>	<u>7.266</u>
General Costs		
Publicity and advertising costs	3.298	3.885
Costs relating to volunteers	6.740	3.192
Telephone costs	1.103	879
Postage	479	850
Accountancy and administration costs	8.064	10.360
Consultancy costs	4.231	12.684
ICT Costs	2.782	6.231
Board Costs	1.556	2.285
Office Costs	968	723
Miscellaneous	4.939	2.318
Donation Vermogens Fonds	<u>27.000</u> -/-	<u>0</u>
	<u>7.160</u>	<u>43.407</u>