



**EUROPEAN
POLAR BOARD**

Annual accounts 2018

Vereniging European Polar Board
at The Hague

date 16 July 2019
reference 19-578/MaB

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Report of the Board 2018

General information

Legal name: European Polar Board (EPB)
Legal residence: The Hague, The Netherlands
Legal status: Dutch association
Objective of the Association

The Association has as its object:

- a. to be the voice of the European polar research;
- b. to facilitate cooperation in all fields of polar science in its Member organisations across Europe;
- c. to perform all other actions related to the above in the broadest sense of those terms, or which could be beneficial to these.

Organisation of the Association

The organisation of the Association comprises:

- the Board (Executive Committee)
- the Plenary Meeting
- the Secretariat

Governance structure

The Plenary is the highest decision-making organ within the EPB, followed by the Board (Executive Committee) and then the Chair.

Members of the Board as of 31st of December 2018:

- Kirsi Latola (Chair)
- Jane Francis
- Nicole Biebow
- Timo Koivurova
- Antonio Quesada
- Renuka Badhe (Executive Secretary)

Members of the Financial Committee as of 31st of December 2018:

- Kirsi Latola
- Maaïke Vancauwenberghe
- Dick van der Kroef
- Renuka Badhe (Executive Secretary, non-voting member)

Members of the Association as of 31st of December 2018:

- Austrian Science Research Fund (FWF), Austria
- National Fund for Scientific Research (FNRS), Belgium
- Research Foundation Flanders (FWO), Belgium
- Belgian Science Policy Office (BELSPO), Belgium
- Bulgarian Antarctic Institute (BAI), Bulgaria
- Danish Agency for Science and Higher Education (DASHE), Denmark
- Estonian Academy of Sciences (EAS), Estonia
- Thule Institute, University of Oulu, Finland
- Arctic Centre, University of Lapland, Finland
- National Centre for Scientific Research (CNRS), France
- French Polar Institute Paul Emilie Victor (IPEV), France
- Helmholtz Association (HGF), Germany
- Icelandic Centre for Research (RANNIS), Iceland
- Italian National Research Council (CNR), Italy
- National Programme for Research in Antarctica (PNRA), Italy
- Polar.lu, Luxembourg
- Netherlands Organisation for Scientific Research (NWO), Netherlands
- The Research Council of Norway (RCN), Norway
- Institute of Marine Research, Norway
- Polish Academy of Sciences, Poland
- Foundation for Science and Technology (FCT), Portugal
- Council for Scientific Research (CSIC), Spain
- Ministry of Economy and Competitiveness (MINECO), Spain
- Arctic Research Centre at Umeå University (ARCUM), Sweden
- Swedish Polar Research Secretariat (SPRS), Sweden
- Swedish Research Council (VR), Sweden
- Swiss National Science Foundation (SNF), Switzerland
- Natural Environment Research Council (NERC), UK

Secretariat:

- Renuka Badhe (Executive Secretary)
- Joseph Nolan (Policy Officer)
- Debbie Liauw (Administrative Assistant)

Summary statement of income and expenditure per reporting date with budget 2018

	Actual 2018	Budget 2018
	€	€
Income		
Member contributions	170,852	171,000
NWO contribution	50,000	50,000
Total income	<u>220,782</u>	<u>221,000</u>
Expenditure		
EPB Committee Meetings	20,605	25,000
Direct Activity in Support of Polar Research Community	18,878	82,000
Communication & Outreach	25,468	35,000
Operational costs	145,221	105,000
C3 Employment costs for Policy Officer	<u>45,734</u>	<u>45,734</u>
Total expenditure	<u>210,172</u>	<u>292,734</u>
Balance income and expenditure	<u>10,610</u>	<u>- 71,734</u>

Activities and financial perspective

For the period 2018, the EPB had a budgeted balance of income and expenditure of - € 71,734 and realised a balance of income and expenditure of € 10,610.

For the period 2018, the EPB had a budgeted expenditure of € 292,734, and realised a total of € 210,172. The total expenditure is now growing as compared to previous years, as the EPB's activities continue to grow following the finalization of Dutch legal entity and ANBI process in 2017. The actual spend in some budget lines for 2018 was lower than expected, due to the lower costs than anticipated for activities such as the EPB Strategy and Implementation Plan Retreat, and the minimal maintenance requirements for the online Infrastructure/GIS system on the EPB website.

Several unrealized direct science activities are carried forward to the budget of 2019 as the activities continue in the next calendar year.

Taxes

As of 2017 the Tax Administration designated European Polar Board as an institution for General Benefit (Algemeen Nut Beogende Instelling or ANBI). Donations to the Foundation can therefore be deducted from income tax, as well as from company and inheritance tax.

Report of activities (summary)

In April 2018, the EPB received notification from NWO of their decision to extend their offer to host the Secretariat in The Hague for a second period of 5 years, starting on 1st January 2020 and ending 31st December 2024. The offered conditions of the hosting agreement remain the same as the first 5-year period, subject to practical and required operational adjustments based on mutual agreement between the EPB and NWO.

The EPB's Spring 2018 Plenary Meeting was held in Davos, Switzerland on 15th June, parallel to the POLAR2018 conference.

The EPB's 2017 Statement of Expenditure was reviewed and approved during the Spring 2018 Plenary Meeting. The EPB's budgets for 2018 and 2019 were reviewed and approved at the Spring 2018 Plenary Meeting.

VR, having notified the EPB of their wish to withdraw, and following the Articles of Association of the EPB, was relieved of its membership at the Spring 2018 Plenary Meeting, effective from 1st January 2019. All due Member contributions were received in full from VR in 2018.

ARCUM was accepted as a new Member of the EPB during the Spring 2018 Plenary Meeting.

The EPB's Autumn 2018 Plenary Meeting was held in Madrid, Spain, hosted by the Autonomous University of Madrid (20-22 November 2018).

The EPB held a retreat for its Members to develop the implementation plan for its Strategy 2017-2022, alongside the Autumn 2018 Plenary Meeting.

The EPB was involved in many external relations and communication activities to build international partnerships throughout 2018.

Throughout 2018, the EPB continued to be active in the EU-PolarNet project.

Policy regarding funds and reserves for continuity

The EPB has a policy regarding holding a reserve for continuity which amounts to one year of operational costs. Plenary decided in the Spring 2016 Plenary Meeting that € 100,000 is the current appropriate level of this reserve, and this has been maintained at that level in 2018. Any results are first added to this reserve if needed, or added to a general reserve.

Treasury policy

All funds are held in a Dutch bank account. This to make certain the EPB can use its liquidity at all times. This reflects the low risk profile of treasury by the EPB.

Communication with external stakeholders policy

The EPB communicates with external stakeholders in a variety of ways. The EPB communicates with other organisations and partners directly through attendance and representation at a variety of relevant European and international meetings, using presentations, workshops and individual face to face contact.

Additionally, the EPB utilises a variety of online communication methods, including webinars, a website, an email newsletter, active Twitter and YouTube accounts and emails directly to individuals within partner organisations.

Members of Board, financial committee and Governance

Tasks and responsibility of Board members

The Board is charged with the management of the Association. Its duties include the adoption of a current policy plan that provides insight into the work to be carried out by the Association in the pursuit of its object, the manner in which income is to be acquired, the management of the capital of the Association and the deployment thereof. The Board shall ensure that the administration expenses of the Association shall be in reasonable proportion to the expenditure for the purposes of its object.

The Board is not authorised to resolve to enter into agreements for the purchase, alienation or encumbrance of registered properties or agreements in which the Association commits itself as guarantor or a joint and several debtor, stands surety for a third party or commits to provide security for a third party's debt.

Remuneration policy

Members of the Board shall receive no remuneration, either directly or indirectly, for the work they perform for the Association in that capacity. Members of the Board will receive a reasonable, non-excessive compensation for direct costs incurred for the benefit of the Association.

The Executive Secretary is a member of the Board (Executive Committee) and is head of the EPB Secretariat. The Executive Secretary receives a salary for their work as head of the EPB Secretariat.

Composition, appointment and resolution of members of Executive Committee

Name	Role	Date appointment	Term
Kirsi Latola	EPB Chair	November 2017	1 st
Renuka Badhe	EPB Executive Secretary	January 2015	N/A
Nicole Biebow	EPB ExCom Member	November 2017	1 st
Jane Francis	EPB ExCom Member	December 2014	2 nd
Antonio Quesada	EPB ExCom Member	March 2017	1 st
Timo Koivurova	EPB ExCom Member	March 2017	1 st

Before January 1st 2015 the EPB was part of the European Science Foundation. The EPB formed a non-governmental body under the auspices of the European Science Foundation. The EPB Board was composed of several Executive Committee Members. Terms of current Executive Committee Members include this previous period as well.

[Overview of current other positions of members of Executive Committee](#)

Name	Organisation	Position
Kirsi Latola	Thule Institute, University of Oulu	Research Coordinator
Renuka Badhe	European Polar Board	Executive Secretary
Nicole Biebow	Alfred Wegener Institute	Head, International Cooperation Unit
Jane Francis	British Antarctic Survey	Director
Antonio Quesada	Universidad Autónoma de Madrid	Professor
Timo Koivurova	Arctic Centre, University of Lapland	Director

[Future](#)

A strategic plan for 2017-2022 was adopted by the Plenary in the Spring Plenary 2017.

[Preview 2019](#)

The Spring 2019 Plenary Meeting will be held in Lisbon, Portugal on 27th-28th March.

The Autumn 2019 Plenary Meeting will be held in Brest, France on 22nd-23rd October.

Budget 2019

Budget fiscal year 2019 per budget item (approved at Autumn 2018 Plenary Meeting)

Items	<u>2019</u>
	€
Budgeted income	
Member contributions	171,000
NWO contribution	<u>50,000</u>
Total income	<u>221,000</u>
Budgeted expenditure	
EPB Committee Meetings	20,000
Direct Activity in Support of Polar Research Community	58,000
Communication & Outreach	33,000
Operational costs	105,000
C1: EPB contribution to EU-PolarNet	14,000
C2: Employment costs for Policy Officer	<u>65,000</u>
Total expenditure	<u>295,000</u>
Balance income and expenditure	<u>-/- 74,000</u>

The negative balance of income and expenditure 2019 will be financed from the general reserve, which was created in the previous years. The general reserve is at 31th December 2018 € 196,449.

Risk

The EPB has a strong position in Europe. The EPB is solely addressing the voice and facilitator of European polar research. Entry to this is subjected by the need of vast network of participants involved. Members of the EPB need relevancy from their memberships and have committed themselves to a 5-year program 2017-2022.

As an organisation which interacts as a communication channel and facilitator for Members and polar research in general compliance and reputation risks are at hand. Entering into agreements and/or connections with other parties in this high political environment could damage the reputation of the EPB. The EPB is very cautious in entering into a relationship with any organisation, such as a new Member, possible collaboration or connection. Decisions on this are made by Plenary and/or Executive Committee.

The EPB is exposed to financial risks by not receiving the membership fee in time or at all. Members are expected to pay every year during the first quarter of that year, but due to several reasons not every Member is able to cope with this. This risk is minimised by personal contact by the Executive Secretary with the applicable Member, contact with other Executive Committee Members and reporting on the status of payments during Plenary meetings.

Operational risks are realistic, because of the challenges of a small organisation, relatively young, and a high dependency on human interaction. In 2016 a Junior Policy Officer was added to the team of the EPB and in 2017 bookkeeping and payment process has been partly outsourced.

The EPB has a continuity reserve of € 100,000 to cope with unexpected losses.

Risk profile of the EPB is acceptable and risks were adequately controlled during 2018.

In the coming next years the EPB is expected to further develop as an organisation as it continues work to fulfil its Strategy.

The Hague, 16 July 2019



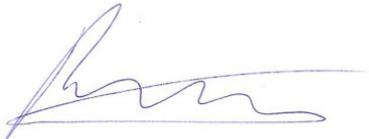
Kirsi Latola
Chair



Nicole Biebow
Member



Halldór Jóhannsson
Member



Antonio Quesada
Member



Vito Vitale
Member



Renuka Badhe
Executive Secretary

A. Balance sheet as at 31 December 2018

(after appropriation of the balance of income and expenditure)

<u>Ref.</u>	<u>31-12-2018</u>	<u>31-12-2017</u>
	€	€
ASSETS		
	Current assets	
1.	- Receivables	93.250
2.	- Cash and cash equivalents	75.000
	<u>282.748</u>	<u>280.839</u>
	Total current assets	<u>375.998</u>
	Total assets	<u><u>375.998</u></u>
LIABILITIES		
3.	Reserves	
	- Continuity reserve	100.000
	- General reserve	185.839
	<u>296.449</u>	<u>285.839</u>
	Total reserves	<u>296.449</u>
	Debts	
4.	- Short term debts	79.549
	<u>79.549</u>	<u>70.000</u>
	Total liabilities	<u><u>375.998</u></u>

B. Statement of income and expenditure

<u>Ref.</u>	<u>Actual 2018</u>	<u>Budget 2018</u>	<u>Actual 2017</u>
	€	€	€
INCOME			
5.	170.782	171.000	167.750
6.	<u>50.000</u>	<u>50.000</u>	<u>50.000</u>
	<u>220.782</u>	<u>221.000</u>	<u>217.750</u>
EXPENDITURE			
<i>Spent on objectives</i>			
7.	20.605	25.000	19.596
8.	18.878	82.000	21.656
9.	<u>25.468</u>	<u>35.000</u>	<u>13.358</u>
	<u>64.951</u>	<u>142.000</u>	<u>54.610</u>
10.	<i>Management and administration</i>		
	145.221	105.000	135.279
		45.734	<u>0</u>
	<u>145.221</u>	<u>150.734</u>	<u>135.279</u>
	<u>210.172</u>	<u>292.734</u>	<u>189.889</u>
	<u>10.610</u>	<u>-71.734</u>	<u>27.861</u>
Allocation:			
	<u>10.610</u>	<u>-71.734</u>	<u>27.861</u>
	<u>10.610</u>	<u>-71.734</u>	<u>27.861</u>

C. Cash flow statement

Ref.	2018		2017	
	€	€	€	€
	<u>Cash flow from operational activities</u>			
		10.610		27.861
1.		-18.250		-48.250
4.		<u>9.549</u>		<u>10.604</u>
		<u>-8.701</u>		<u>-37.646</u>
		<u>1.909</u>		<u>-9.785</u>
2.		<u>1.909</u>		<u>-9.785</u>
		280.839		290.624
		<u>282.748</u>		<u>280.839</u>
		<u>1.909</u>		<u>-9.785</u>

D. Accounting policies

The principal accounting policies applied in the preparation of these annual accounts are set out below.

General information

The reporting entity, the European Polar Board, was founded on March 23, 2016. It has its registered office at Laan van Nieuw Oost-Indië 300, 2593 CE in The Hague.

The fiscal year 2018 covers the period January 1, 2018 through December 31, 2018.

The objective of the Association, under its Articles of Association (art. 3.1) reads as follows:

The Association has as its object:

- a. to be the voice of the European polar research;*
- b. to facilitate cooperation in all fields of polar science in its Member states across Europe;*
- c. to perform all other actions related to the above in the broadest sense of those terms, or which could be beneficial to these.*

The Association shall endeavour to achieve this object by, inter alia (art 3.2):

- a. providing a forum for the comprehensive inclusion of all relevant partners in Europe and the broad coverage of all scientific fields of polar research;*
- b. promoting polar research to the European Community based on its bipolar vision;*
- c. providing a central organizational structure supporting European polar science;*
- d. supporting development of joint scientific programmes, in optimized use of European research infrastructures and in representation of polar issues within European research framework programmes.*

Going concern

The accounting policies within the financial statements are based on the assumption that the European Polar Board will be able to continue as a going concern.

Estimates

In applying the accounting policies and standards for preparing financial statements, the European Polar Board is required to make estimates and judgments that might be essential for the amounts disclosed in the annual accounts. If necessary for the purposes of providing the view required under Section 362(1), Book 2 of the Netherlands Civil Code, the nature of these estimates and judgments, including the related assumptions, has been disclosed in the notes to the relevant items.

Accounting policies for the balance sheet

Unless otherwise indicated, assets and liabilities are entered at historical cost and are used for the objectives of the Association.

The balance sheet, income statement and cash flow statement include references to the notes.

Receivables

Receivables are recognized at fair value. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of discounted value of the expected revenues. If a receivable appears to be uncollectible a provision for bad debts will be created and reported in the figures.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and bank balances. Cash and cash equivalents are stated at nominal value.

Reserves

The continuity reserve is created to ensure that the Association can meet its legal and moral obligations in case of a significant fall in income in the future.

Liabilities

Liabilities are initially recognized at fair value. Transaction costs directly attributable to the incurrance of the liabilities are included in the measurement on initial recognition. Liabilities are subsequently measured at amortized costs; this is the amount received plus or less any premium or discount and net of transaction costs.

Accounting policies for the income statement

Income and expenditure

Income and expenditure are recognised as they are earned or incurred and are recorded in the financial statements of the period to which they relate. Losses are taken into account if they originate in the financial year and as soon as these are anticipated. Profit or loss is determined as the difference between realisable value of the services delivered and the costs and other charges for the year.

Labour costs are taken to the income statement based on the terms of employment, where they are due to employees.

Accounting policies for the cash flow statement

The cash flow statement has been prepared using the indirect method. The cash items disclosed in the cash flow statement comprise cash at banks and in hand except for deposits with a maturity longer than three months. Cash flows denominated in foreign currencies have been translated at average estimated exchange rates. Exchange differences affecting cash items are shown separately in the cash flow statement. Interest paid and received, dividends received and income taxes are included in cash from operating activities. Transactions not resulting in inflow or outflow of cash, including finance leases, are not recognised in the cash flow statement.

Accounting policies for transactions in foreign currencyFunctional currency

Items included in the financial statements are valued with due regard for the currency in the economic environment in which the Association carries out most of its activities (the functional currency). The financial statements are denominated in euros; this is both the functional currency and presentation currency of the Association.

Transactions

Transactions in foreign currencies are stated in the financial statements at the exchange rate of the functional currency on the transaction date.

E. Notes to the balance sheet

	<u>31-12-2018</u>	<u>31-12-2017</u>
	€	€
1. <u>Receivables</u>		
Amounts receivable	<u>93.250</u>	<u>75.000</u>
Total receivables	<u><u>93.250</u></u>	<u><u>75.000</u></u>
- Amounts receivable		
NWO	40.000 *	50.000
CNR	40.000 *	20.000
CNRS	10.000 *	0
Instituto Geologico y Mirero de Espana	3.250	0
Iceland Rannis	<u>0</u>	<u>5.000</u>
Total amounts receivable	<u><u>93.250</u></u>	<u><u>75.000</u></u>
* Received in 2019.		
2. <u>Cash and cash equivalents</u>		
ABN AMRO - Bank Account	182.748	180.839
ABN AMRO - Bank Account Deposit	<u>100.000</u>	<u>100.000</u>
Total cash and cash equivalents	<u><u>282.748</u></u>	<u><u>280.839</u></u>

The cash and cash equivalents can be withdrawn upon demand.

	<u>31-12-2018</u>	<u>31-12-2017</u>
	€	€
3. <u>Reserves</u>		
- Continuity reserve		
Balance at 1 January 2018	<u>100.000</u>	<u>100.000</u>
Balance at 31 December 2018	<u><u>100.000</u></u>	<u><u>100.000</u></u>
- General reserve		
Balance at 1 January 2018	185.839	157.978
Allocation balance income and expenditure	<u>10.610</u>	<u>27.861</u>
Balance at 31 December 2018	<u><u>196.449</u></u>	<u><u>185.839</u></u>
4. <u>Short term debts</u>		
Staff and travel costs	66.220	66.750
Publication costs	7.568	0
Contribution received in advance	0	3.250
Other short term debts	<u>5.761</u>	<u>0</u>
Short term debts	<u><u>79.549</u></u> *	<u><u>70.000</u></u>

* The short term debts are paid in 2019.

All short term debts have a maturity shorter than one year.

OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES

With the 'Nederlandse Organisatie voor Wetenschappelijk Onderzoek' (NWO) a hosting agreement until 2020 has been agreed upon as decided by Plenary Meeting in Autumn 2014. NWO will facilitate housing, office, IT, finance, administration and staffing services.

In April 2018, the EPB received notification from NWO of their decision to extend their offer to host the Secretariat in The Hague for a second period of 5 years, starting on 1st January 2020 and ending 31st December 2024. The offered conditions of the hosting agreement remain the same as the first 5-year period, subject to practical and required operational adjustments based on mutual agreement between the EPB and NWO.

POST BALANCE SHEET EVENTS

There have been no significant events post balance date which would materially affect the annual accounts.

F. Notes to the statement of income and expenditure

	<u>Actual 2018</u>	<u>Budget 2018</u>	<u>Actual 2017</u>
	€	€	€
INCOME			
5. <u>Income from membership fees</u>			
Membership fees	<u>170.782</u>	<u>171.000</u>	<u>167.750</u>
Total income from membership fees	<u><u>170.782</u></u>	<u><u>171.000</u></u>	<u><u>167.750</u></u>
6. <u>Income from hosting party</u>			
Contribution hosting party	40.000	40.000	40.000
Contribution hosting party in kind	<u>10.000</u>	<u>10.000</u>	<u>10.000</u>
Total income from hosting party	<u><u>50.000</u></u>	<u><u>50.000</u></u>	<u><u>50.000</u></u>
EXPENDITURE			
7. <u>Direct costs: EPB Committee Meetings</u>			
EPB Committee Meetings	<u>20.605</u>		<u>19.596</u>
Total direct costs EPB Committee Meetings	<u><u>20.605</u></u> *	<u><u>25.000</u></u>	<u><u>19.596</u></u>

* Direct costs for EPB Committee are mainly costs incurred by travelling abroad by the Executive Secretary and facilitation/organisation of EPB meetings abroad. EU-PolarNet activities and EPB Committee Meetings activities are combined in several occasions. Allocation of costs to EPB Committee Meetings compared to EU-PolarNet is relatively high for the reporting period.

	<u>Actual 2018</u>	<u>Budget 2018</u>	<u>Actual 2017</u>
	€	€	€
8. <u>Direct costs: Direct Science Activity</u>			
Support for EU-PolarNet Meetings (EPB Support)	8.976		14.381
EPB Strategy and Implementation Plan retreat	9.302		4.199
Infrastructure/GIS maintenance	400		0
Support for Scientific initiatives	200		0
EPB contribution to EU-PolarNet carry forward	0		2.514
EPB representation costs	<u>0</u>		<u>562</u>
Total direct costs Direct Science Activity	<u><u>18.878</u></u>	<u><u>82.000</u></u>	<u><u>21.656</u></u>
9. <u>Direct costs: Communication & Outreach</u>			
EU-PolarNet infrastructure catalogue publication	14.824		0
EPB website (training, maintenance)	432		8.417
EPB Outreach	1.586		4.378
Publication costs	<u>8.626</u>		<u>563</u>
Total direct costs Communications & Outreach	<u><u>25.468</u></u>	<u><u>35.000</u></u>	<u><u>13.358</u></u>
10. <u>Management and administration</u>			
Staff costs	141.408		133.380
Insurance	405		0
Other operational costs	<u>3.408</u>		<u>1.899</u>
Total management and administration	<u><u>145.221</u></u>	<u><u>150.734</u></u>	<u><u>135.279</u></u>

	<u>Actual 2018</u>	<u>Budget 2018</u>	<u>Actual 2017</u>
	€	€	€
- Staff costs			
Charged labour costs by hosting party	140.738		129.036
Training costs	<u>670</u>		<u>4.344</u>
Total staff costs	<u><u>141.408</u></u>		<u><u>133.380</u></u>

The members of the Executive Committee receive no remuneration. The Executive Secretary is only compensated for their work at the Secretariat.

Staff costs are charged by NWO for the employees working at the Secretariat of EPB. As of January 2018, an Executive Secretary for 1.0 FTE and a Policy Officer for 1.0 FTE are working for the EPB within NWO as a host organisation.

- Other operational costs

Legal & General	1.472		0
Other direct costs	<u>1.936</u>		<u>1.899</u>
Total other operational cost	<u><u>3.408</u></u>		<u><u>1.899</u></u>

The Hague, 16 July 2019



Kirsi Latola
Chair



Nicole Biebow
Member



Halldór Jóhannsson
Member



Antonio Quesada
Member



Vito Vitale
Member



Renuka Badhe
Executive Secretary