

H.O. Foundation: Financial Report 2016

9 August 2017

Financial Situation:

The investment portfolio started with a value of 503'525.69 € at 1 January 2016 and the foundation had a cash amount of 3'884.55 € totaling to 507'410.24 €. Due to very few expenditures which the Foundation incurs during years when no prize is awarded and a very good performance of the assets, the overall portfolio of the foundation increased considerably. On 31 December 2016, the foundation held assets worth 540'385.77 € and cash of 2'566.04 €, so in total 542'951.81 €. This is 108.6% of the initial capital of 500'000 € and 107.0% of 507'410.24 € at the end of 2016.

In 2015 the Foundation changed the investment strategy and invested in mutual funds managed by Vanguard Group with the aim to hold 2/3 in Vanguard SRI Global Stock Fund and 1/3 in Vanguard Global Bond Index Fund. These funds don't pay dividends or interest, but will generally appreciate in value over the long term (based on historical performance). There was no need to convert any assets in cash and therefore we also did not rebalance the proportion of stocks and bonds.

On 31 December 2016, the Foundation held 2'502.67 of Vanguard SRI Global Stock Fund worth 372'071.43 € (68.9% of all assets) and 1'549 of Vanguard Global Bond Index Fund worth 168'314.34 € (31.1% of all assets). In addition to that the foundation still holds 20.000 SNS Bank 2009/PERP bonds with a current value of 0.

In 2016 the Foundation received no dividends and 323.70 € in interest. No donations were received. 766.00 €, which we received back from the Dutch Tax Authorities, was booked as other income.

Money was mainly spent on advertisement, among which the sponsoring for the Annual Meeting of the European Meteorological Society with 1'190.00 € was the largest amount. Other promotion activities like for the website accounted for 515.00 € of the costs. Bank fees remained stable at 285.00 € in 2015. General administration costs were 418.21 €.

There were no payments in 2016 relating to 2015, nor had the Foundation any outstanding payments at the end of 2016.

Table 1 gives a brief overview of income and expenses in 2016. More detailed information about the financial situation are provided on the next pages in table 2 (asset overview as of 31 December 2016).

| | |
|---------------------|--------------------|
| Income | |
| Dividends | - € |
| Interest | 323.70 € |
| Donations | - € |
| Other | 766.00 € |
| Sum | 1'089.70 € |
| Expenses | |
| Bank fees | 285.00 € |
| Administration | 418.21 € |
| Promotion | - € |
| Website | 515.00 € |
| EMS Meeting | 1'190.00 € |
| Prizes | - € |
| Unforeseen | - € |
| Other travel costs | - € |
| Sum | 2'408.21 € |
| Balance | -1'318.51 € |
| Transactions | |
| Sold investments | - € |
| Bought investments | - € |
| Sum | - € |
| Cash Balance | -1'318.51 € |

Table 1: Income and expenses from 1 Jan – 31 Dec 2016

| Category | Description | Amount | Price on 31 Dec | Value on 31 Dec |
|-----------------------------|---------------------------------|---------------|------------------------|------------------------|
| Shares | Vanguard SRI Global Stock Fund | 2'502.67 | 148.67 € | 372'071.43 € |
| Bonds | SNS Bank 2009/PERP | 20000 | 0.00% | - € |
| Bonds | Vanguard Global Bond Index Fund | 1'549 | 108.66 € | 168'314.34 € |
| Cash | NL96 RABO 0304 0795 53 | | | 1'682.72 € |
| Cash | NL96 RABO 0305 5019 25 | | | 883.32 € |
| Subtotal investments | | | | 540'385.77 € |
| Subtotal cash | | | | 2'566.04 € |
| Total | | | | 542'951.81 € |

Table 2: Asset overview as of 2016-12-31