



Boxwise Foundation

Rotterdam

Annual Report 2021

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Report

Boxwise Foundation
Overschievestraat 62
3112 HH Schiedam

Wagenberg, 23 januari 2023

Dear members of the Board,

As a result of the assignment given to us, we have prepared the 2021 annual accounts of your company.
We are pleased to present the annual report to you.

Compilation assignment

The financial statements of the Boxwise foundation have been compiled by us using the information provided by you. The financial statements comprise the balance sheet as at 31 December 2021 and the profit and loss account for the year 2021 with the accompanying explanatory notes.

In a compilation engagement, you are responsible for ensuring that you provide us with all relevant information and that this information is correct. Therefore, we have conducted our work, in accordance with the applicable regulations, on the assumption that you have fulfilled your responsibility

This compilation engagement has been performed by us in accordance with Dutch law and the guidances and actions schemes of the NOAB quality system. This means that we have complied with the relevant requirements prescribed by the Nederlandse Orde van Administratie en Belastingdeskundigen or NOAB (Dutch Association of Accounting and Tax Advisers). You may therefore assume that we have conducted the engagement in a professional, competent and objective manner and with due care and integrity and that we will treat all information provided to us as confidential.

On the basis of the above we are required to prepare the financial statements "in accordance with Dutch regulations and Civil Code" To this end we have applied our professional expertise in accounting and financial reporting.

Within this context the scope of our work primarily included the gathering, processing, classifying, comparing, interconnecting and summarizing of financial information for the sake of the financial statements and / or credit report. We did not conduct review or audit procedures which would enable us to express any assurance on the true and fair view of the financial statements.

General information

The Boxwise Foundation was incorporated on November 11, 2019 and is registered with the Chambre of Commerce under numer 76346536. The aim of the foundation is to provide humanitarian aid, welfare, education, health care and shelter in emergency or distresses areas by providing, among other things, logistics, software and te like. The foundation aims at the public benefit. The foundation has no profit motive.

In the financial year, the board of the Foundation was formed by the following persons:

- Mr. J.B. Crowley as from 01-12-2019
- Mrs. Roanna P. Kong as from 15-12-2019
- Mr. H.P. Gürtnner as from 01-12-2019

Tax position

The Boxwise Foundation meets the conditions of Article 6 of the Corporation Tax Act 1969 and is therefore not liable for corporation tax.

We trust to have been of service to you

Wagenberg, Januari 23rd, 2023

VFM-advies B.V.

C.S. Vlaskamp RB AB

Annual Report

Management board's report

We have detailed records of our activities this year in our annual report, including financial highlights. This report can be downloaded on our website - www.boxtribute.org. We welcome any questions regarding our financial statements from interested parties including potential funders and donors.

Balance Sheet as per December 31, 2021

all amounts in €

Assets	December 31, 2021	December 31, 2020
Fixed Assets	-	-
Current Assets	9.946	8.888
Receivables	539	690
Trade debtors	539	690
Cash	9.407	8.198
	9.946	8.888

Equity and Liabilities	December 31, 2021	December 31, 2020
Equity	8.868	7.811
Capital	8.868	7.811
Short-term liabilities	1.078	1.077
Trade creditors	-	-
Taxes	28	43
Accrued liabilities and deferred income	1.050	1.034
	9.946	8.888

Profit and loss account

all amounts in €

	2021	2020
Net Turnover	4.053	3.540
Work by third parties	5.250	
Other external charges	709	273
Cost of goods sold	5.959	273
Gross margin	1.906-	3.267
Other income	12.218	6.569
Total Revenues	10.312	9.836
Travel expenses	155	-
Office expenses	200	-
General expenses	8.913	2.031
Total expenses	9.268	2.031
	1.044	7.806
Interest income and similar income	13	5
Financial income and expenses	13	5
Net result for the year	1.057	7.811

Notes to the balance sheet

all amounts in €

	<u>2021</u>	<u>2020</u>
Assets		
Current Assets	9.946	8.888
Receivables	539	690
<u>Trade debtors</u>	539	690
Receivables due from customers for services performed. No provisions have been made for impairment.		
Cash	9.407	8.198
C/A Bank Account NL28BUNQ2040751424	6.653	8.198
Paypalboxtribute	1.899	-
PaypalUSD	855 +	- +
	9.407	8.198
Equity and Liabilities		
Equity	8.868	7.811
<u>Foundation Capital</u>		
Balance as at Januari 1th, 2021	7.811	-
Net result for the year	1.057 +	7.811 +
Balance as at December 31, 2021	8.868	7.811
Short-term liabilities	1.078	1.077
<u>Taxes</u>	28	43
<i>Sales taxes (VAT)</i> Declaration, 4th quarter	28	43
<u>Accrued liabilities and deferred income</u>		
Accountancy costs	1.050	1.034

Notes to the profit and loss account

Revenues

all amounts in €	2021		2020	
	€	% reven.	€	% reven.
Subscriptions	4.053	24,9	3.540	35,6
Net Turnover	4.053	24,9	3.540	35,6
Donations	12.218	75,1	569	5,6
Revenues Digital Hub Award	-	-	6.000	59,4
Other income	12.218	75,1	6.569	65,0
Total Revenues	16.271	100,0	10.109	100,0

Cost of goods sold

all amounts in €	2021		2020	
	€	% reven.	€	% reven.
Software Development	5.250	32,3	-	-
Work by third parties	5.250	32,3	-	-
Hosting and domain costs	709	4,4	273	2,7
Other external charges	709	4,4	273	2,7
Cost of goods sold	5.959	36,6	273	2,7

Expenses

all amounts in €		2021		2020			
		€	% exp.	% reven.	€	% exp.	% reven.
Travel expenses		155	1,7		-	-	-
Travel expenses and representation		155	1,7	1,5	-	-	-
Software, licenses and other ICT costs		200	2,2		-	-	-
Office expenses		200	2,2	1,9	-	-	-
Fundraising	*1)	1.725	18,6				
Project Development	*1)	5.175	55,8		-	-	-
Accounting fees		1.579	17,0		1.249	61,5	
ANBI Application Costs		213	2,3		-	-	
Bank costs		222	2,4		138	6,8	
Foundation costs		-	-		643	31,7	
General expenses		8.913	96,2	86,4	2.031	100,0	20,
Total Expenses		9.268	100,0	89,9	2.031	100,0	20,

*1)Project Development and Fundraising

These categories come from a *pro rata* allocation of amounts paid to a single contractor. This contractor was retained to produce project concept notes for Boxtribute, as well as share fundraising expertise, particularly through researching the network of available grants. Based on the record of concept notes produced, we estimate that 75% of the total contractor fee of 6,900 EUR relates to project and concept note development, and the remaining 25% is related purely to fundraising and related grants research. None (0%) of our fundraising expenditures incurred were a result of direct marketing or other appeals to the public for donations

Notes to the profit and loss account**Financial income and expenses**

	2021			2020		
	€	% F i&e	% reven.	€	% van F i&e	% van reven.
Bank Interest	13	100,0		5	100,0	
Interest income and similar income	13	100,0	0,1	5	100,0	0,1
Financial income and expenses	13	100,0	0,1	5	100,0	0,1

Other Notes

Auditor's report

No audit opinion is required, as the Bowxise foundation falls within the limits set by law (Article 396 (1) of Book 2 of the Civil Code and the company is therefore exempted (article 393 (6) from the obligation to have the audit of the financial statements referred to in Article 393 (1) carried out.

Distribution of profit

The net profit for 2021, amounting to € 1.057 has been accounted for in Foundation Capital.

Signing of the Annual Report

Schiedam, 2023



Mr. J.B. Crowley
Boardmember



Mrs. Roanna P. Kong
Boardmember



Mr. H.P. Gürtner
Treasurer

Appendix A: Context around ANBI Status

Based on our public benefit objectives, as well as additional advice in 2022 from Reed Smith LLP, *Stichting Boxwise* believes we are fully eligible for ANBI status for fiscal years 2021 to present. Nevertheless, our 2021 application for ANBI status was unsuccessful despite our best efforts. We describe below the sequence of events that lead to this result in 2021, and what our plans are in 2022 to address this issue.

In March 2021, in view of upcoming grant opportunities that provided a larger scope of impact and operational budget (50,000 USD+), the board decided to investigate if getting ANBI status would be a worthwhile exercise for Stichting Boxwise. ANBI status, which is granted only to organisations that operate 90% for the public benefit, allows organisations to be exempt from gift tax, which is a tax imposed on all gifts, including donations, given to a legal entity once the total annual amount donated exceeds 2244 EUR. Based on our not-for-profit structure, our humanitarian mission, the requirements publicly published by the Netherlands Tax and Customs Administration (belastingdienst), as well as consultancy provided by VFM Advies, our financial advisor and accountant, we believed qualifying for ANBI status to be straightforward.

It was therefore to our surprise when in February 2022, we received notice from the Belastingdienst that our application for ANBI status had been denied. To address this, we sought out pro bono legal representation and engaged two new advisors – one law professor and one tax advisor – to understand this result better. Since then, we have successfully engaged Reed Smith LLP on a pro bono basis. Our main counsel has over 20 years of legal experience and is an expert on charity law, including issues that deal with tax and structure issues across frontiers. We believe with his support we will be able to fully resolve this issue to the satisfaction of both the Belastingdienst and our donors.