



BOXTRIBUTE

FINANCIAL REPORT 2021

Contact

Stichting Boxwise
Overschieestraat 62
3112 HH Schiedam
Netherlands

Roanna Kong (Executive Director) - roanna@boxtribute.org
Hans Peter Gürtner (Board Treasurer) - hans@boxtribute.org

General Information

The Boxwise Stichting was incorporated on November 11, 2019 and is registered with the Chamber of Commerce under number 76346536. The purpose of the foundation is to provide humanitarian aid, welfare, education, health care and shelter in emergency or distressed areas by providing, among other things, logistics, software and the like. The foundation aims at the public benefit, can be classified as a charity foundation and is not for profit.

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. Gürtner as from 01-12-2019

Tax Position

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

Other Information

For the compilation of the financial report of 2021 we engaged VFM-advies B.V. Within this context the scope of work of VFM-advies B.V. was primarily the gathering, processing, classifying, comparing, interconnecting and summarizing of financial information to produce financial statements and / or credit reports.

This compilation engagement has been performed in accordance with Dutch law and the guidance and action 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).

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.

The Board of the Foundation makes use of the exemption of Article 2: 396 (6) of the Dutch Civil Code.

Balance Sheet as per December 31, 2021

Assets	31st December 2021	31st December 2020
Fixed Assets	-	-
Current Assets	9.946 €	8.888 €
Receivables	539 €	690 €
Trade Debtors¹	539 €	690 €
Cash	9.407 €	8.198 €
C/A Bank Account NL28BUNQ2040751424	6.653 €	8.198 €
PaypalEURO	1.899 €	-
PaypalUSD	855 €	-
Total Assets	9.946 €	8.888 €

Equity and Liabilities	31st December 2021	31st December 2020
Equity	5.186 €	7.811 €
Stichting Capital	5.186 €	7.811 €
Balance as at January 1st	7.811 €	
Net Result for the Year	- 2.625 €	7.811 €
Balance as at December 31st	5.186 €	7.811 €
Liabilities	4.760 €	1.077 €
Suppliers and Trade Credit	690 €	-
Taxes	3.020 €	43 €
Sales Taxes (VAT)	28 €	43 €
Gift Tax²	2992 €	-
Accrued Liabilities and Deferred Income	1.050 €	1.034 €
Accountancy Costs	1.050 €	1.034 €
Total Equity and Liabilities	9.946 €	8.888 €

Profit and Loss

	2021	2020
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Revenues	€	% rev.	€	% rev.
Net Turnover	4.053	100	3.540	100
Subscriptions	4.053	100	3.540	100
Total Revenues	4.053		3.540	

Cost of Goods Sold	€	%	% rev	€	%	% rev
Work by third Parties	5.250	88	130	-		
Software Development	5.250	88	130	-		
Other External Charges	709	12	17	273	100	8
Hosting and Domain Costs	709	12	17	273	100	8
Total Cost of Goods Sold	5.959		147	273		8

Gross Margin	- 1.906	3.267
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	2021	2020
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Expenses	€	%	% rev	€	%	% rev
Work by third Parties	7.590	76	187	-		
Fundraising³	1.725	17	43	-		
Project Development³	5.175	52	128	-		
Travel Expenses	155	2	4	-		
Travel Expenses and Representation	155	2	4	-		
Office Expenses	200	2	5	-		
Software, Licenses and other ICT costs	200	2	5	-		
General Expenses	2.013	20	50	2.031	100	57
Bank Costs	222	2	5	138	7	4
Accounting Fees	1.579	16	40	1.249	62	35i
ANBI Application Costs²	213	2	5	-		
Foundation Costs	-			643	32	18
Total Expenses	9.958		246	2.031		57

Net Margin	- 11.864	1.236
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	2021	2020
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Donations Income and Expenses	€	€
Other Income	12.218	6.569
Donations	12.218	569
Digital Hub Award	-	6.000
Taxes	2.992	-
<u>Gift Tax²</u>	2.992	-
Donations Income and Expenses	9.226	6.569

Financial Income and Expenses	€	€
Interest Income and similar Income	13	5
Bank Interest	13	5
Financial Income and Expenses	13	5

Net Result for the Year	- 2.625	7.811
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Footnotes

¹ Receivables due from customers for services performed. No provisions have been made for impairment.

² Expenditures related to ANBI status

Stichting Boxwise incurred 3204,77 EUR of ANBI status related expenditures in 2021. Out of this, 212,50 EUR were expenditures to prepare the application for ANBI. The remaining 2992,27€ EUR resulted from Gift Tax that was applied after the denial of ANBI status by the Netherlands Tax and Customs Administration. Please refer to [Appendix A](#) for a detailed note on this.

³ 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.

Auditor's Report

No audit opinion is required, as the Boxwise Stichting 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.

Schiedam, 10th of November 2022

Mrs. Roanna P. Kong
Executive Director & Board Member

Mr. H.P. Gürtner
Board Treasurer

Mr. J.B. Crowley
Board Member

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 B.V.**, 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.