

**Pioneers
Foundation
P.O. Box 57
1619 ZH Andijk**

REPORT FOR FISCAL YEAR 2022

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AUDITOR'S REPORT

**To the Board of
Pioneers Foundation
P.O. Box 57
1619 ZH Andijk**

Middenmeer, June 6, 2023

<i>Report Number</i>	<i>Handled by</i>	<i>Client number</i>
66368	JAV/AG	10118

Dear Board,

1 ASSIGNMENT

Based on our work and the assignment you have given us with respect to Stichting Pioneers, Andijk, we have prepared the financial statements for 2022 and are authorized to report the following.

2 COMPOSITION REPORT OF THE AUDITOR

The financial statements of Stichting Pioneers at Andijk have been prepared by us on the basis of the information received from you. These financial statements consist of the balance sheet as of December 31, 2022 and the statement of income and expenses for 2022 with the accompanying notes. These notes include an overview of the accounting policies used.

This composition engagement has been performed by us in accordance with Dutch law, including Standard 4410, "Composition Engagements", applicable to auditors. Under this standard, we are expected to assist you in the preparation and presentation of financial statements in accordance with accounting principles generally accepted in the Netherlands. In doing so, we have applied our accounting and financial reporting expertise.

In a composition engagement, you are responsible for ensuring that the information is correct and that you provide us with all relevant information. Consequently, we have performed our work in accordance with the applicable regulations on the assumption that you have fulfilled this responsibility. As a final part of our work, we have made an overall assessment by reading the financial statements that the financial statement presentation was consistent with our knowledge of Foundation Pioneers. We did not perform any auditing or review procedures that would allow us to express an opinion or conclude on the fairness of the financial statements.

In carrying out this assignment, we have adhered to the relevant ethical regulations applicable to us in the Verordening Gedrags- en Beroepsregels Accountants (VGBA). You and other users of these financial statements may therefore assume that we have carried out the assignment professionally, competently and carefully, with integrity and objectivity, and that we will treat the information provided by you confidentially.

For further explanation of the nature and scope of a composition engagement and the VGBA, please see www.nba.nl/uitleg-samenstellingsverklaring.

3 GENERAL

3.1 Company data

The activities of the Pioneers Foundation consist mainly of missionary activities, education and administration.

3.2 Board

As of December 31, 2022, the Executive Board consists of the following individuals:

Chairman: Mr. J.C. Smits

Treasurer: Mr. R.P. Plattel

Secretary: Mr. M.H. de Heer

Member: Mr. J.L. Andrews

3.3 Administration

Your foundation's records in 2022 were kept entirely by you and processed by your computer.

In issuing this report, we believe we have fulfilled our assignment. Should you have any further questions, we would be pleased to answer them.

Yours sincerely, Silvis & Vos

accounting firm

Anthony (J.A.) Vos

Accounting Consultant

FOREWORD BOARD CHAIRMAN

ANNUAL ACCOUNT

1 BALANCE SHEET AT DECEMBER 31 2022
(after profit appropriation)

	December 31, 2022		December 31, 2021	
	€	€	€	€
ASSETS				
Fixed assets				
Property, plant and equipment (1)		3.033		2.650
Current assets				
Receivables (2)	1.467		1.583	
Cash and cash equivalents (3)	477.349		474.710	
		478.816		476.293
		481.849		478.943

	December 31, 2022		December 31, 2021	
	€	€	€	€
LIABILITIES				
Reserves and funds				
Continuity reserve	198.916		196.311	
Appropriated fund	234.844		276.951	
		433.760		473.262
Current liabilities ⁽⁴⁾				
Amounts owed to credit institutions	305		-	
Accounts payable	1.952		1.025	
Other taxes and social security contributions insurance	1.629		1.325	
Other payables	44.203		3.331	
		48.089		5.681
		481.849		478.943

2 STATEMENT OF INCOME AND EXPENSES FOR 2022

	Realization 2022	Budget 2022	Realization 2021
	€	€	€
Income			
Income (5)	73.178	80.000	78.655
Sum of income raised	73.178	80.000	78.655
Other income (6)	-	-	42
Sum of benefits	73.178	80.000	78.697
Charges			
Spent on objectives			
Objective: Personnel costs (7)	23.760	49.200	35.916
Recruitment costs			
Expense fundraising (8)	8.569	14.200	7.720
Cost of management and administration			
Depreciation (9)	866	-	462
Office expenses (10)	33.712	37.200	26.372
General expenses (11)	3.695	22.500	4.323
	38.273	59.700	31.157
Balance before financial income and expenses	2.576	-43.100	3.904
Interest income and similar income (12)	31	-	-
Balance	2.607	-43.100	3.904
Profit appropriation			
Continuity reserve	2.607	-	3.904
	2.607	-	3.904

3 PRINCIPLES OF VALUATION AND INCOME DETERMINATION

GENERAL

Activities

The activities of the Pioneers Foundation (registered under Chamber of Commerce number 41150377), statutorily based in Andijk consist mainly of:

Missionary activities, education and administration.

Pioneers Foundation is recognized as an ANBI institution.

Business address, legal form and trade register registration number

Stichting Pioneers has its actual and statutory seat at PO Box 57 in Andijk and is registered with the trade register under number 41150377.

Estimates

The application of the principles and rules for the preparation of the financial statements requires the board of Stichting Pioneers to form opinions on various matters and to make estimates that may be essential to the amounts included in the financial statements. If it is necessary for providing the insight required by Article 2: 362 paragraph 1 of the Dutch Civil Code, the nature of these judgments and estimates, including the corresponding assumptions, is included in the notes to the relevant financial statement items.

GENERAL PRINCIPLES OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with accounting principles generally accepted in the Netherlands.

The financial statements have been prepared on the basis of historical cost. Unless otherwise stated, assets and liabilities are valued at nominal value.

Benefits are allocated to the period in which it is realized. Expenses are recognized in the year in which they are foreseeable.

Benefits and expenses are allocated to the year to which they relate. Gains are recognized only to the extent that they have been realized by the balance sheet date. Liabilities and potential losses originating before the end of the reporting year are taken into account if they have become known before the preparation of the financial statements.

PRINCIPLES FOR VALUATION OF ASSETS AND LIABILITIES

Receivables

Receivables are recorded at face value, taking into account any reductions for bad debt risk. These reductions are determined on the basis of individual assessment of the receivables. Unless otherwise stated, receivables have a term of less than 1 year.

Cash and cash equivalents

Cash and cash equivalents consist of cash, bank balances and deposits with maturities of less than twelve months. Bank overdrafts are included in debts to credit institutions under current liabilities. Cash and cash equivalents are stated at face value.

Reserves and funds

Designated fund

Earmarked funds are reservations where a third party has made a more limited spending option. The nature of the earmarked fund is explained later.

Current liabilities

Short-term liabilities are valued at nominal value upon initial recognition. An business rate should be taken into account.

PRINCIPLES FOR DETERMINING EARNINGS

General

The result (balance) is determined as the difference between total income and total expenses. Income and expenses are allocated in the statement of income and expenses to the period to which they relate. The allocation follows a consistent policy. This involves taking into account the amounts attributable to a period that have been or will be received or paid in another period.

Income for which a special purpose has been designated is accounted for separately in the (notes to the) statement of income and expenditure, stating the nature of the purpose; if this income has not been spent in full in the year under review, the monies not yet spent are reserved in the relevant earmarked reserve(s) or earmarked fund(s), respectively. A withdrawal from earmarked reserve(s) or fund(s), as the case may be, is recorded as expenditure (expense) in the statement of income and expenditure.

Within income from individuals, the entire amount was raised through donations and gifts.

If additions are made to or drawn from earmarked reserve(s) or earmarked fund(s), the mutation is accounted for as follows: the balance of the statement of income and expenses is determined including the surplus or deficit arising from earmarked income and expenses. A specification of the treatment of this balance in the various equity items is then included under the statement of income and expenditure.

Benefits

Benefits from individuals means general donations to the foundation.

Benefits

Benefits are recognized in the year to which it relates. Gifts are accounted for in the period they are received.

Expenses general

Expenses are allocated to the period to which they relate or in which they are incurred, respectively.

Spending objectives

Expenditures under the objectives are recognized in the year in which they are promised or, to the extent that this is not the case with a promise, in the year in which the amount of the obligation can be reliably determined. Contingent liabilities are recognized in the year in which it is determined that the conditions will be met.

Depreciation

Property, plant and equipment are depreciated from the time of readiness for use over the expected future useful life of the asset.

Financial income and expenses

Interest income and interest expense

Interest income and interest expense are recognized on a time proportion basis, taking into account the effective interest rate of the assets and liabilities involved. When accounting for interest expenses, the recognized transaction costs on loans received are taken into account.

Exchange rate differences

Exchange differences arising on the settlement or translation of monetary items are recognized in profit or loss in the period in which they arise unless hedge accounting is applied.

Value adjustments financial instruments measured at fair value

Changes in the value of financial instruments measured at current value are recognized in profit or loss.

4 NOTES TO THE BALANCE SHEET AS OF DECEMBER 31 2022

Active

FIXED ASSETS

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
1. Property, plant and equipment		
Inventory	<u>3.033</u>	<u>2.650</u>
		<u>Inventory</u>
		€
<i>Book value at January 1, 2022</i>		
Acquisition value		3.533
Accumulated depreciation and amortization		<u>-883</u>
		<u>2.650</u>
<i>Mutations</i>		
Investments		1.249
Depreciation		<u>-866</u>
		<u>383</u>
<i>Book value at December 31, 2022</i>		
Acquisition value		4.782
Accumulated depreciation and amortization		<u>-1.749</u>
Book value at December 31, 2022		<u>3.033</u>
<i>Depreciation rates</i>		%
Inventory		20

CURRENT ASSETS**2. Claims**

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
<i>Accrued assets</i>		
Other receivables and prepaid amounts	1.467	1.583

3. Cash and cash equivalents

ING Business account NL20 INGB 0001 4882 22	70.776	79.923
ING Business account NL49 INGB 0008 2078 60	89.139	95.974
ING Business account NL85 INGB 0008 0427 00	30.438	41.801
ING Corporate Savings Account NL49 INGB 0008 2078 60	99.491	99.496
ING Corporate Savings Account NL85 INGB 0008 0427 00	87.511	57.511
SNS Business Savings NL82 SNSB 0874 5176 05	99.989	100.000
Cash	5	5
	<u>477.349</u>	<u>474.710</u>

Passive

	2022	2021
	€	€
Continuity reserve		
Balance at January 1	196.311	192.407
Profit appropriation for the financial year	2.607	3.904
Other changes other reserve	-2	-
Balance at December 31	<u>198.916</u>	<u>196.311</u>
	31-12-2022	31-12-2021
	€	€
Designated fund		
Appropriated fund Projects	<u>234.844</u>	<u>276.951</u>
<i>Appropriated fund Projects</i>		
Balance at January 1	276.951	242.430
At	429.782	408.909
Off	-471.889	-374.388
Balance at December 31	<u>234.844</u>	<u>276.951</u>

Pioneers Foundation receives donations with a donor-appointed destination namely a specific missionary worker or external project. Pioneers Foundation administers these funds for the affiliates and by agreement, payment of the funds takes place. A breakdown of the approximately 25 separate earmarked funds (read evangelism workers/projects) is available in the records Due to privacy & security reasons, care should be taken when disclosing names and project locations.

4. Current liabilities**Amounts owed to credit institutions**

Funds on the go	<u>305</u>	<u>-</u>
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Creditors

Creditors	<u>1.952</u>	<u>1.025</u>
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Other taxes and social security contributions

Payroll tax	<u>1.629</u>	<u>1.325</u>
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	31-12-2022	31-12-2021
	€	€
Other liabilities		
Personnel costs	2.582	2.205
Amounts still to be paid	28.087	591
Current account International fund	1	109
Current account Pioneers USA	2.032	-10.809
AWMUK/ Pioneers current account.	708	1.241
Current account Pioneers Canada	385	385
Current account Pioneers Australia	10.351	10.250
Current account Pioneers UK	57	-2.275
Current account DMG	-	1.634
	<u>44.203</u>	<u>3.331</u>

Off-balance sheet commitments**Other unrecognized liabilities**

According to your statement and to our knowledge, there were no off-balance sheet liabilities as of December 31, 2022.

5 NOTES TO THE STATEMENT OF INCOME AND EXPENSES FOR 2022

	Realization 2022	Budget 2022	Difference 2022	Realization 2021
	€	€	€	€
5. Benefits				
Donations general fund	33.776	45.000	-11.224	45.278
Recharged project costs	39.402	35.000	4.402	33.377
	<u>73.178</u>	<u>80.000</u>	<u>-6.822</u>	<u>78.655</u>
6. Other income				
Other income	-	-	-	42
Spent on objectives				
7. Objective: Personnel costs				
Gross salary, social charges and social insurance	33.367	49.200	-15.833	79.240
Income accruing to personnel	-10.495	-	-10.495	-54.857
Other personnel costs	888	-	888	11.533
	<u>23.760</u>	<u>49.200</u>	<u>-25.440</u>	<u>35.916</u>
Recruitment costs				
8. Expense fundraising				
Direct recruitment costs	5.719	7.100	-1.381	5.594
Newsletter	2.850	7.100	-4.250	2.126
	<u>8.569</u>	<u>14.200</u>	<u>-5.631</u>	<u>7.720</u>
Staff				
The foundation employed an average of 1 staff calculated on a full-time basis in 2022 (2021: 2).				
9. Depreciation				
Property, plant and equipment	<u>866</u>	<u>-</u>	<u>866</u>	<u>462</u>

	Realization 2022	Budget 2022	Difference 2022	Realization 2021
	€	€	€	€
10. Office expenses				
Office costs	25.226	26.500	-1.274	23.612
Promotion costs	8.486	10.700	-2.214	2.760
	<u>33.712</u>	<u>37.200</u>	<u>-3.488</u>	<u>26.372</u>
11. General expenses				
Bank charges	1.438	-	1.438	1.354
Other overheads	2.257	22.500	-20.243	2.969
	<u>3.695</u>	<u>22.500</u>	<u>-18.805</u>	<u>4.323</u>
Financial income and expenses				
12. Interest income and similar income				
Interest received	<u>31</u>	<u>-</u>	<u>31</u>	<u>-</u>

Board signature for agreement

Andijk, June 6, 2023

Mr. J.C. Smits, chairman

Mr. R.P. Plattel, treasurer

