

CONTENTS

- Annual financial statements	5
- Balance sheet of December 31, 2013	6
<b>2013 FINANCIAL REPORT</b>	<b>8</b>
<b>Stichting Practica</b>	<b>8</b>
<b>Papendrecht</b>	<b>8</b>
- Auditor's report	7

**CONTENTS**

- Annual Financial Statements	3
- Balance as of December 31, 2013	4
- Statement of revenues and expenses for 2013	5
- Notes to the balance sheet and the statement of revenues and expenses	6
- Auditor's report	7

## ANNUAL FINANCIAL STATEMENTS

Assets		3-17-10	3-14-12	
	20	EUR	EUR	EUR
<b>Fixed Assets</b>				
Tangible Fixed Assets	2.1			
Other non-current assets		12,345	3,450	
			12,400	3,500
<b>Current Assets</b>				
Accounts Receivable	2.2	87,527	41,733	
Other receivables, prepayments, and accrued interest	2.3	1,012	2,583	
			53,413	44,300
Cash and cash equivalents	2.4	399,077		431,764
			431,764	479,820
<b>Equity and Liabilities</b>				
<b>Equity</b>				
Contributed capital	2.5	142,583	71,480	
Restricted reserves	2.6	100,000	20,500	
Other reserves	2.9	35,473	48,725	
			300,478	140,410
Reserve for losses				
Reserve for 50%		79,803	10,112	
Reserve for 50% (provisional amounts)	2.6	2,542	7,407	
Other loss reserves and deferred amounts	2.7	61,541	171,171	
			173,566	191,424
			474,044	479,820

## Balance as of December 31, 2013

Statement of assets and liabilities for the year 2013

<b>Assets</b>	ref	31-12-13 EUR	2012 EUR	31-12-12 EUR	2012 EUR
<i>Fixed Assets</i>					
<b>Tangible Fixed Assets</b>	2.1				
Other non current assets		<u>12.968</u>	1.078.000	<u>3.550</u>	143.000
			<b>12.968</b>		<b>3.550</b>
<i>Current Assets</i>					
<i>Personal assets</i>					
Accounts Receivable	2.2	67.327	311.000	41.737	212.000
Other receivables, prepayments and accrued income	2.3	<u>1.092</u>	41.300	<u>2.568</u>	2.160
			<b>68.419</b>		<b>44.305</b>
<i>Operating assets</i>					
Cash and cash equivalents	2.4		161.100		98.200
			<b>399.977</b>		<b>231.765</b>
			<u><b>481.364</b></u>		<u><b>279.620</b></u>

## Equity and liabilities

### Equity

Continuity reserve	2.5	142.980	71.490	71.490	71.490
Restricted reserves	2.5	100.000	20.000	20.000	20.000
Other reserves	2.5	<u>65.478</u>	15.770	<u>48.706</u>	9.700
			<b>308.458</b>		<b>140.196</b>

### Short-term debts

Accounts payable		72.823		10.752	
Taxes and social insurance premiums	2.6	8.542		7.402	
Other debts, accruals and deferred income	2.7	<u>91.541</u>		<u>121.270</u>	
			<b>172.906</b>		<b>139.424</b>
			<u><b>481.364</b></u>		<u><b>279.620</b></u>

Notes to the balance sheet and the statement of revenues and expenses

**Statement of revenues and expenses for the year 2013**

General notes

ref	2013 EUR	2012 EUR
Revenues	1.028.041	643.683
Project costs	<u>-504.599</u>	<u>-284.492</u>
	<b>523.442</b>	<b>359.191</b>
Personnel costs	3.1 311.931	213.362
Depreciation	3.2 2.400	3.164
Other operational expenses	3.3 <u>42.924</u>	<u>44.374</u>
<b>Total expenses</b>	<b>357.255</b>	<b>260.900</b>
<b>Operating result</b>	<b>166.187</b>	<b>98.291</b>
<b>Finance result</b>	<u>2.075</u>	<u>-40</u>
<b>Surplus for the year</b>	<b>168.262</b>	<b>98.251</b>

The surplus for the year 2013 is added to the following reserves:

	2013 EUR	2012 EUR
- Continuity reserve	71.490	71.490
- Restricted reserves	80.000	20.000
- Other reserves	<u>16.772</u>	<u>6.761</u>
	<b>168.262</b>	<b>98.251</b>

Financial Assets

Other non-current assets are valued at historical cost or manufacturing price including directly attributable expenditures less accumulated depreciation and other recognized useful lives and impairment losses.

Provisions

These provisions are carried at the fair value of the consideration, usually the best value, if provision is made for expected and debts.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, at bank balances, call and sight deposits and other short-term investments.

Restricted reserves

Restricted reserves consist of equity that has been earmarked by the Board for a specific purpose.

Shareholders' equity

Shareholders' equity is reported as a separate line item.

## Notes to the balance sheet and the statement of revenues and expenses

### 1 General notes

#### 1.1 General

##### *Objective/mission/management*

The objective, as stipulated in Foundation Practica's statutes is to make development, improvement and implementation of technology in the area of water and energy possible. In 2013, the Foundation Board was comprised of Mr. R. H. Aalderink, Mr. E. J. Huyskes, Ms. M. H. Meerburg and Ms. H. M. Toonen.

#### 1.2 Prior-year comparison

The accounting policies have been consistently applied to all the years presented.

#### 1.3 Estimates

The preparation of the financial statements in conformity with the relevant rules requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies of the foundation. If necessary for the purpose of providing the essential view, the nature of these estimates and judgements, including the related assumptions, is disclosed in the notes to the financial statement items in question.

#### 1.4 Accounting policies for the balance sheet

##### *General*

The financial statements have been prepared in accordance with the Dutch Accounting Standard 640 "Organisaties zonder winststreven" as issued by the Dutch Accounting Standards Board. The financial statements are expressed in euros. In general, assets and liabilities are stated at the amounts at which they were acquired or incurred. If not specifically stated otherwise, they are recognised at the amounts at which they were acquired or incurred. The balance sheet and statement of revenues and expenses include references to the notes.

##### *Tangible Fixed Assets*

Other non-current assets are valued at historical cost or manufacturing price including directly attributable expenditure, less straight-line depreciation over their estimated useful lives and impairment losses

##### *Receivables*

Trade receivables are carried at the fair value of the consideration, usually its face value. A provision is accounted for expected bad debts.

##### *Cash and cash equivalents*

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

##### *Restricted reserves*

Restricted reserves concern equity that has been earmarked by the Board for a special purpose

##### *Short-term debts*

Short-term debts have a term of a maximum of 1 year.

## 1.5 Accounting policies for the statement of revenues and expenses

### General

Results are determined as the difference between the realisable value of the services rendered, and the costs and other charges for the year. Revenues are recognised in the year in which they are realized; losses are taken as soon as they are foreseeable.

### Revenues

The subsidies and gifts are accounted for in the year to which they relate. Revenues are recognized based on the services performed to the balance sheet date as a percentage of the total services to be performed and in accordance with the subsidy conditions.

### Depreciation

Tangible fixed assets are depreciated over their estimated useful lives as from the inception of their use. Future depreciation is adjusted if there is a change in estimated future useful life.

### Project costs

Costs of projects represents direct expenses attributable to the services performed.

### Employee benefits

Salaries, wages and social security contributions are taken to the statement of revenues and expenses based on the terms of employment, where they are due to employees.

### Other operational expenses

Other operating expenses comprise costs chargeable to the year that are not directly attributable to the costs of projects.

2 Explanatory notes regarding the balance

2.1 Tangible Fixed Assets

	31-12-13	31-12-12
	<b>Other non current assets</b>	<b>EUR</b>
<b>January 1, 2013</b>		
Acquisition price	19.506	
Accumulated depreciation	-15.956	
	<u>3.550</u>	<u>3.550</u>
Book value	<b>3.550</b>	
<b>Changes in 2013</b>		
Investments	11.818	
Depreciation	-2.400	
	<u>9.418</u>	<u>9.418</u>
<b>December 31, 2013</b>		
Acquisition price	31.324	
Accumulated depreciation	-18.356	
	<u>12.968</u>	<u>12.968</u>
Book value	<b>12.968</b>	
Depreciation percentages	20- 33,3%	

2.2 Accounts Receivable

	31-12-13	31-12-12
	<b>EUR</b>	<b>EUR</b>
Accounts Receivable	78.870	41.737
Provision for doubtful debts	-11.543	0
	<u>67.327</u>	<u>41.737</u>
At 1 January	29.000	29.000
At 31 December	100.000	70.000



### 2.3 Other receivables, prepayments and accrued income

	31-12-13	31-12-12
Research & development concerning research energy applications		
Research & development for business impact study	EUR	EUR
Research & development for new innovation		
Interest bank	759	1.433
Pre-paid costs and other prepayments	333	1.135
	<u>1.092</u>	<u>2.568</u>

### 2.4 Cash and cash equivalents

	31-12-13	31-12-12
Other reserves	EUR	EUR
ASN Bank	10.000	0
Triodos Bank	382.700	225.479
Societe Generale Madagascar	7.277	6.286
	<u>399.977</u>	<u>231.765</u>

### 2.5 Equity

	2013	2012
Continuity reserve	EUR	EUR
At 1 January	71.490	0
Result appropriation	71.490	71.490
At 31 December	<u>142.980</u>	<u>71.490</u>

The continuity reserve serves as a buffer in the event certain calamities occur in the future. The Board agreed that Practica will work towards a continuity reserve in 2017 of € 357.450 (based on 50% of the annual operational costs prognosis for 2017 of € 714.900), starting at the end of 2012 and increasing linearly.

	2013	2012
Restricted reserves	EUR	EUR
At 1 January	20.000	0
Result appropriation	80.000	20.000
At 31 December	<u>100.000</u>	<u>20.000</u>

	<b>2013</b>	<b>2012</b>
Restricted reserves are formed for:		
- Research & development concerning renewal energy applications	25.000	25.000
- Research & development for decision support tools	10.000	10.000
- Research & development low cost desalination	5.000	5.000
- Research & development concerning other activities	10.000	10.000
- Investment office and staff facilities location Madegascar	20.000	20.000
- Development of training programmes and facilities for manual drilling	20.000	20.000
- Office move	10.000	10.000
	<b>2013</b>	<b>2012</b>
Other reserves	EUR	EUR
At 1 January	48.706	41.945
Result appropriation	<u>16.772</u>	<u>6.761</u>
At 31 December	<b>65.478</b>	<b>48.706</b>

#### **Short-term debts**

#### **2.6 Taxes and social insurance premiums**

	<b>31-12-13</b>	<b>31-12-12</b>
	EUR	EUR
Payroll taxes	<u>8.542</u>	<u>7.402</u>
	<b>8.542</b>	<b>7.402</b>

**2.7 Other debts, accruals and deferred income**

	31-12-13	31-12-12
	EUR	EUR
Current projects	18.097	79.183
Holiday allowances	11.763	8.643
Vacation days	20.731	7.844
Bonuses employees	19.776	14.105
Net wages	15.174	0
Auditor's fees	6.000	11.495
	<u>91.541</u>	<u>121.270</u>

**2.8 Rights and obligations not included in the balance**

The foundation has entered into a rental obligation for housing for an amount of € 27.588 per year. This obligation expires on December 31, 2016.

### 3 Explanatory notes to the statement of revenues and expenses

#### 3.1 Personnel costs

	2013	2012
	EUR	EUR
Wages and salaries	250.914	169.603
Social security contributions	44.386	30.117
Other personnel costs	<u>16.631</u>	<u>13.642</u>
	<b>311.931</b>	<b>213.362</b>
Average number of FTEs in service	<b>5,3</b>	<b>3,5</b>

#### 3.2 Depreciation

	2013	2012
	EUR	EUR
Depreciation	<u>-2.400</u>	<u>-3.164</u>
	<b>-2.400</b>	<b>-3.164</b>

#### 3.3 Other operational expenses

	2013	2012
	EUR	EUR
Housing costs	9.390	8.490
Sales costs	3.257	1.807
Office expenses	21.736	15.879
General costs	<u>8.541</u>	<u>18.198</u>
	<b>42.924</b>	<b>44.374</b>

Papendrecht, April 30, 2014

On behalf of the General Management

H. Aalderink  
Chairman

E. Huyskes  
Treasurer

Stichting Practica  
Geulweg 16-18  
3356 LB PAPENDRECHT

## Auditor's report

Accounting year  
2012-2013  
2013-2014  
2014-2015

### INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Achmea Financial  
Group NV  
Postbus 12000  
3720 BA Zierikzee

#### Report on the financial statements

We have audited the accompanying financial statements of Achmea Financial Group NV (the "Company") as at and for the year ended on December 31, 2013, the statement of revenue and expenses for the year then ending and the notes comprising a summary of the accounting policies and other explanatory information.

#### Management's responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Dutch Accounting Standard of "Ondernemingswetgeving" ("Ondernemingswetgeving" is hereinafter referred to as "Dutch GAAP") and for such internal control as it deems necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on conducting an audit in accordance with Dutch law and the Dutch Standards of Auditing. Because of the nature of the audit, in the case of detection of opinion paragraph however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for such an opinion.

#### Basis for disclaimer of opinion

The consolidated financial statements of Achmea Financial Group NV (the "Company") for its financial statements of previous years which a disclaimer of opinion has been placed, based upon a disclaimer of opinion throughout the life of the company, and its operations, is not responsible for the Company's financial statements of previous years. The Company's financial statements for the year ended December 31, 2013, which are the subject of this report, are not comparable with the financial statements of previous years because of the disclaimer of opinion placed on the financial statements of previous years.

These financial statements are not comparable to the financial statements of the year ended December 31, 2012, because of the disclaimer of opinion placed on the financial statements of previous years. The financial statements of the year ended December 31, 2012, are not comparable with the financial statements of the year ended December 31, 2013, because of the disclaimer of opinion placed on the financial statements of previous years. The financial statements of the year ended December 31, 2012, are not comparable with the financial statements of the year ended December 31, 2013, because of the disclaimer of opinion placed on the financial statements of previous years. The financial statements of the year ended December 31, 2012, are not comparable with the financial statements of the year ended December 31, 2013, because of the disclaimer of opinion placed on the financial statements of previous years.

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of Stichting Practica  
Geulweg 16-18  
3356 LB PAPENDRECHT

### **Report on the financial statements**

We have audited the accompanying financial statements 2013 of Stichting Practica, Wageningen, which comprise the balance sheet as at December 31, 2013, the statement of revenues and expenses for the year then ended and the notes, comprising a summary of the accounting policies and other explanatory information.

### **Management's responsibility**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Dutch Accounting Standard 640 "Organisaties zonder winststreven". Furthermore management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's responsibility**

Our responsibility is to express an opinion on the financial statements based on conducting the audit in accordance with Dutch law, including the Dutch Standards on Auditing. Because of the matter described in the Basis for disclaimer of opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### **Basis for disclaimer of opinion**

The comparative financial information in these financial statements is derived from the financial statements of previous year on which a disclaimer of opinion has been issued, based upon the following: "Given the nature and the size of the company and its operations it is not possible for the company to maintain appropriate internal controls without incurring disproportionate costs. We have been unable to perform sufficient audit procedures to obtain reasonable assurance on the completeness and accuracy of turnover and related items as shown in the financial statements."

These circumstances are not applicable to the current financial year but the fact remains that, as a consequence of the above, we have not been able to form an opinion retrospectively about whether the balance sheet as at December 31, 2012, gives a true and fair view of the financial position, which opinion can serve as a basis for the audit on the financial statements for the year 2013. If the amounts shown in the balance sheet mentioned were to require adjustment, this would directly affect the results reported for the year 2013. Both the composition and the amount of the result for 2013 therefore remain uncertain.

**Disclaimer of opinion with respect to the financial statements**

Because of the significance of the matter described in the Basis for disclaimer of opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements.

Ridderkerk, April 30, 2014

BAKKER accountants & adviseurs



drs. R de Geus RA MBA