

H.O. Foundation: 2023 Financial Report and Planned Budget 2024

29 March 2024

Financial Report for 2023:

The investment portfolio started with a value of 549'735.13 € at 1 January 2023 and the foundation had a cash amount of 1'876.72 € totalling to 551'611.85 €. As in every second year when the Harry Otten Prize is awarded, the Foundation has a high cash requirement. In 2023 a negative cash balance of 40'307.38 € was financed by selling invested assets worth 55'250.00 €. This includes the compensation of 15'290.00 € received by the Dutch government for the nationalization of the SNS bank and the subsequent devaluation of the SNS Bank 2009/PERP bonds. The overall performance of the investment portfolio was very good with a yield of 19.4% which was much more than the 4% we anticipate in our long-term plan. On 31 December 2023, the foundation held assets worth 601'854.89 € and cash of 16'819.34 €, so in total 618'674.23 €. This is 123.7% of the initial capital of 500'000 € and 112.2% of the 551'611.85 € owned at the end of 2022.

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). When converting assets into cash at the end of September 2023 we used the opportunity to rebalance the investment portfolio to the target split between the Stock Fund and the Bond Index Fund.

On 31 December 2023, the Foundation held 1'665.700 of Vanguard SRI Global Stock Fund worth 460'471.74 € (83.5% of all assets) and 1'358 of Vanguard Global Bond Index Fund worth 141'383.15 € (25.6% of all assets).

In 2023 the Foundation received no dividends and 4'304.35 € in interest. This was mainly generated through the compensation payment by the Dutch government on the SNS bonds which also included the accumulated interest. No donations nor any other income were received.

Money was mainly spent on prizes with 30'000.00 € as well as travel and other arrangements worth 10'291.02 € for awarding the prize during the Annual Meeting of the European Meteorological Society in Bratislava, Slovakia. Other costs were related to general administration costs of 1'924.75 €, bank fees summed up to 660.96 € and we spent 235.00 € for the administration of our website. Unforeseen expenses worth 1'500.00 € relate to farewell presents to leaving board members.

There was a payment of 539.96 € in 2023 relating to administrative costs in 2022. The Foundation had no outstanding payments at the end of 2023.

Table 1 gives a brief overview of income and expenses in 2023. More detailed information about the financial situation are provided on the next pages in Table 2 (asset overview as of 31 December 2023).

Plans for 2024:

In September 2024, the application submission for the next round of the Harry Otten Prize will start. The prize will be awarded in September 2025.

A planned budget for 2024 is shown in Table 3 and the financial plan including the years thereafter in Table 4. It is anticipated that the sponsoring for the EMS Annual Meeting will increase from this year onwards.

Gert-Jan Steeneveld, Chairman

Dennis Schulze, Treasurer

Samira Khodayar, Board Member

Income	
Dividends	- €
Interest	4'304.35 €
Donations	- €
Other	- €
Sum	4'304.35 €
Expenses	
Bank fees	660.96 €
Administration	1'924.75 €
Promotion	- €
Website	235.00 €
EMS Meeting	
Promotion and ceremony costs	90.95 €
Travel costs	7'510.07 €
Conference Dinner	1'500.00 €
Sponsoring	1'190.00 €
Prizes	30'000.00 €
Unforeseen	1'500.00 €
Other travel costs	- €
Sum	44'611.73 €
Balance	- 40'307.38 €
Transactions	
Sold investments	55'250.00 €
Bought investments	- €
Sum	55'250.00 €
Cash Balance	14'942.62 €

Table 1: Income and expenses from 1 Jan – 31 Dec 2023

Category	Description	Amount	Price on 31 Dec	Value on 31 Dec
Shares	Vanguard SRI Global Stock Fund	1'665.700	276.44 €	460'471.74 €
Bonds	Vanguard Global Bond Index Fund	1'358	104.110 €	141'383.15 €
Cash	NL96 RABO 0304 0795 53			15'460.45 €
Cash	NL96 RABO 0305 5019 25			1'358.89 €
Subtotal investments				601'854.89 €
Subtotal cash				16'819.34 €
Total				618'674.23 €

Table 2: Asset overview as of 31 December 2023.

	Realized 2022	Plan 2023	Realized 2023	Plan 2024
Income				
Dividends	- €	- €	- €	- €
Interest	- €	- €	4'304.35 €	- €
Donations	- €	- €	- €	- €
Other	- €	- €	- €	- €
<i>Sum</i>	- €	- €	4'304.35 €	- €
Expenses				
Bank fees	637.96 €	640.00 €	660.96 €	660.00 €
Administration	40.00 €	4'300.00 €	1'924.75 €	1'500.00 €
Promotion	122.35 €	500.00 €	- €	500.00 €
Website	235.00 €	250.00 €	235.00 €	250.00 €
<i>EMS Meeting</i>				
Promotion and ceremony costs	- €	500.00 €	90.95 €	- €
Travel costs	9'898.82 €	9'500.00 €	7'510.07 €	1'000.00 €
Conference Dinner	1'058.20 €	1'000.00 €	1'500.00 €	- €
Sponsoring	1'200.00 €	1'200.00 €	1'190.00 €	1'785.00 €
Prizes	- €	30'000.00 €	30'000.00 €	- €
Unforeseen	- €	1'000.00 €	1'500.00 €	1'000.00 €
Other Travel costs	- €	200.00 €	- €	200.00 €
<i>Sum</i>	13'192.33 €	49'090.00 €	44'611.73 €	6'895.00 €
Balance	-13'192.33 €	-49'090.00 €	-40'307.38 €	-6'895.00 €
Transactions				
Sold investments	9'990.00 €	50'000.00 €	55'250.00 €	10'000.00 €
Bought investments	- €	- €	- €	- €
<i>Sum</i>	9'990.00 €	50'000.00 €	55'250.00 €	10'000.00 €
Cash Balance	-3'202.33 €	910.00 €	14'942.62 €	3'105.00 €

Table 3: Budget for 2024 in comparison to 2022 and 2023

	Realized 2023	Outlook 2024	Outlook 2025	Outlook 2026	Outlook 2027	Outlook 2028	Outlook 2029	Outlook 2030
Capital as of January 1st	551'611.85 €	618'674.23 €	636'526.20 €	615'079.05 €	632'085.55 €	609'833.57 €	626'471.26 €	603'336.41 €
Asset performance (4% from 2024 onwards)	107'369.76 €	24'746.97 €	25'461.05 €	24'603.16 €	25'283.42 €	24'393.34 €	25'058.85 €	24'133.46 €
<i>Income</i>	4'304.35 €	- €	- €	- €	- €	- €	- €	- €
<i>Expenses</i>	44'611.73 €	6'895.00 €	46'908.20 €	7'596.66 €	47'535.40 €	7'755.66 €	48'193.69 €	7'922.33 €
Profit/Loss (excl. Asset performance & transactions)	-40'307.38 €	-6'895.00 €	-46'908.20 €	-7'596.66 €	-47'535.40 €	-7'755.66 €	-48'193.69 €	-7'922.33 €
<i>Transactions</i>	55'250.00 €	8'000.00 €	50'000.00 €	8'500.00 €	50'000.00 €	8'500.00 €	50'000.00 €	9'000.00 €
Cashflow	14'942.62 €	1'105.00 €	3'091.80 €	903.34 €	2'464.60 €	744.34 €	1'806.31 €	1'077.67 €

Table 4: Financial plan until 2030.