

## H.O. Foundation: Financial Report 2014

15. August 2015

The investment portfolio started with a value of 501.671,15 € at 1 January 2014 and the foundation had a negative cash amount of 199.06 € totaling to 501.472,09 €. The positive economic and market development in 2014 led to a notable increase of the portfolio which outbalanced the cash payments by the Foundation. On 31 December 2014 the foundation held assets worth 548.541,45 €, which is 109.7% of the initial capital of 500'000 € and 109.4 % of 501.472,09 € at the end of 2013.

At the end of the year 93.47% of the capital was invested in stocks and bonds. The only major change was the termination of the 8% ING PERPETUAL IV 2008 bond which was paid out by the issuer. The fraction of investments in shares remained almost the same at 59.06% (2013: 59.84%). The share of bonds dropped from 39.23% in 2013 to 33.72% at the end of 2014. As of 31 December 2014, we had a negative cash balance of 35'825.24 € (31 December 2013: -199.06 €) on the account.

In 2014 the Foundation received 13'460.41 € from dividends and 8'248.63 € from interest. No donations were received. Money was mainly spent for promotion (3'734.69 €) which includes the presence of the Foundation at the Meteorology Expo in Brussels. 2'534.34 € within unforeseen expenses are related to a bank error which led to a duplicate transfer of the participation fee to UK IP, the organizer of the Meteorology Expo fair. The bank has accepted that the error was on their side and we jointly have taken action to get the money back. Other travel costs relate mainly to the board meeting in Prague and account for 529.62 €. Other promotion activities (flyers, website) accounted for 658.00 € of the costs. Bank feed dropped further from 728.31 € in 2013 to 596.31 € in 2014. General administration costs were 1'445.65 €.

It should also be noted that the following expenses which are related to 2013 have been paid in 2014:

EMS Meeting – Travel Cost Reimbursement	423.00 €
Promotion & Communication	136.15 €
<b>Sum</b>	<b>559.15 €</b>

The foundation had no outstanding payments at the end of 2014. However, the bank error led to a double transfer of 2'534.34 € which hasn't been corrected until the end of the year.

Table 1 gives a brief overview of income and expenses in 2014. More detailed information about the financial situation are provided on the next pages in table 2 (asset overview as of 31 December 2014).

<b>Income</b>	
Dividends	13.460,41 €
Interests	8.248,63 €
Donations	- €
Other	- €
<b>Sum</b>	<b>21.709,04 €</b>
<b>Expenses</b>	
Bank fees	596,31 €
Administration	1.445,65 €
Promotion	3.734,69 €
Website	235,00 €
EMS Meeting	423,00 €
Prizes	- €
Unforeseen	2.534,34 €
Other travel costs	529,62 €
<b>Sum</b>	<b>9.498,61 €</b>
<b>Balance</b>	<b>12.210,43 €</b>
<b>Transactions</b>	
Sold investments	23.813,87 €
Bought investments	- €
<b>Sum</b>	<b>23.813,87 €</b>
<b>Cash Balance</b>	<b>36.024,30 €</b>

*Table 1: Income and expenses from 1 Jan – 31 Dec 2014*

Shares	Amount	Price in Euro	Value in Euro	% of Assets
AKZO NOBEL	459	57,65	26.461,35	4,82%
CORIO	563	40,63	22.874,69	4,17%
KONINKLIJKE DSM	517	50,64	26.180,88	4,77%
TOTAL	470	42,52	19.984,40	3,64%
ORANGE	1.250	14,15	17.687,50	3,22%
KONINKLIJKE KPN	2.300	2,63	6.044,40	1,10%
ROYAL DUTCH SHELL-A-	1.220	27,66	33.745,20	6,15%
UNIBAIL-RODAMCO SE	202	212,85	42.995,70	7,84%
WERELDHAVE	424	57,00	24.168,00	4,41%
BP	4.000	5,28	21.106,66	3,85%
COCA COLA	800	34,77	27.819,94	5,07%
PROCTER & GAMBLE	400	75,03	30.010,88	5,47%
AT&T	900	27,67	24.900,07	4,54%
<b>Sum shares</b>			<b>323.979,67</b>	<b>59,06%</b>

Bonds	Amount	Price in Euro	Value in Euro	% of Assets
5.5% RABO STEEPENER 2005-35	40.000	1,01	40.360,00	7,36%
ROBECO HIGH YLD BNDS (B)	256	96,88	24.801,28	4,52%
SNS BANK SUBORD.2009	20.000	0,02	364,00	0,07%
4.26% AEGON 1996/PERP.CUM.ACHTG	75.000	0,41	30.902,43	5,63%
THREADN.EUR.HIGH YLD B(R)	20.359	1,51	30.662,69	5,59%
6.75% GENERAL ELECTRIC 2002-32	20.000	1,11	22.194,67	4,05%
5.664% NED.WATERSCH.BANK 2005-35	35.000	1,02	35.682,50	6,50%
<b>Sum bonds</b>			<b>184.967,57</b>	<b>33,72%</b>

<b>Sum accumulated interest</b>			<b>3.768,97</b>	<b>0,69%</b>
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<b>Sum invested capital</b>			<b>512.716,21</b>	<b>93,47%</b>
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<b>Sum account</b>			<b>35.825,24</b>	<b>6,53%</b>
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<b>Total assets</b>			<b>548.541,45</b>	<b>100,00%</b>
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Table 2: Asset overview as of 2014-12-31