

# annual accounts 2020

DRAFT

**Vereniging European Polar Board  
at The Hague**

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reference 21-563/MaB

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## Report of the Board 2020

### General information

Legal name: European Polar Board (EPB)  
Address: Laan van Nieuw Oost-Indië 300, 2593 CE The Hague, The Netherlands  
Legal status: Dutch association with full legal capacity  
CCI number: 65665759  
RSIN: 856206362

The European Polar Board (EPB) is an independent organisation focused on major strategic priorities in the Arctic and Antarctic. EPB Members include research institutes, logistics operators, funding agencies, scientific academies and government ministries from across Europe.

The EPB's vision is of a **strong** and cohesive European Polar research community, wherein decisions affecting or affected by the Polar Regions are informed by **independent**, accurate, and timely advice from the EPB.

The EPB has a mission to improve European **coordination** in Arctic and Antarctic research through improved information sharing, optimised infrastructure use and joint initiatives between Members.

The EPB **promotes** multilateral collaborative activities between our Members and provide a single contact point for to the European Polar research community as a whole for international partners.

The EPB **advances** the collective knowledge of Polar issues, particularly in the context of European societal relevance.

The EPB's work is largely implemented through its various **Action Groups**, focused on issues such as infrastructure, international cooperation, policy advice and the environmental impacts of polar research and logistics.

The EPB also participates in large-scale **projects** with European and international partners, with tasks focusing on coordination of polar research and communication with policymakers or other stakeholders.

The EPB Members together form the **Plenary**, which meets twice annually to advance its work in line with the EPB **Strategy**.

Established by the European Science Foundation in 1995, the EPB has been an independent entity since 2015, with its **Secretariat** hosted by the **Dutch Research Council (NWO)** in The Hague.

The Association has as its object:

- a. to be the voice of the European polar research;
- b. to facilitate cooperation in all fields of polar science in its Member organisations across Europe;
- c. to perform all other actions related to the above in the broadest sense of those terms, or which could be beneficial to these.

## Organisation of the Association

The organisation of the Association comprises:

- the Board (Executive Committee)
- the Plenary Meeting
- the Secretariat

## Governance structure

The Plenary is the highest decision-making organ within the EPB, followed by the Board (Executive Committee) and then the Chair.

Members of the Board as of 31<sup>st</sup> of December 2020:

- Kirsi Latola (Chair)
- Nicole Biebow
- Antonio Quesada
- Vito Vitale
- Peter Sköld
- Renuka Badhe (Executive Secretary)

Members of the Financial Committee as of 31<sup>st</sup> of December 2020:

- Kirsi Latola
- Rein Vaikmae
- Philippe Huybrechts
- Renuka Badhe (Executive Secretary, non-voting member)

Members of the Association as of 31<sup>st</sup> of December 2020:

- Austrian Science Research Fund (FWF), Austria
- National Fund for Scientific Research (FNRS), Belgium
- Research Foundation Flanders (FWO), Belgium
- Belgian Science Policy Office (BELSPO), Belgium
- Bulgarian Antarctic Institute (BAI), Bulgaria
- Danish Agency for Science and Higher Education (DASHE), Denmark
- Estonian Academy of Sciences (EAS), Estonia
- Thule Institute, University of Oulu, Finland
- Arctic Centre, University of Lapland, Finland
- National Centre for Scientific Research (CNRS), France
- French Polar Institute Paul Emilie Victor (IPEV), France
- Helmholtz Association (HGF), Germany
- Icelandic Centre for Research (RANNIS), Iceland
- Italian National Research Council (CNR), Italy
- National Programme for Research in Antarctica (PNRA), Italy
- Polar.lu, Luxembourg
- Netherlands Organisation for Scientific Research (NWO), Netherlands
- The Research Council of Norway (RCN), Norway
- Institute of Marine Research, Norway
- Polish Academy of Sciences, Poland
- Foundation for Science and Technology (FCT), Portugal
- Council for Scientific Research (CSIC), Spain
- Ministry of Science and Innovation (MCIN), Spain

- Arctic Research Centre at Umeå University (ARCUM), Sweden
- Swedish Polar Research Secretariat (SPRS), Sweden
- Swiss National Science Foundation (SNF), Switzerland
- TÜBITAK Marmara Research Center Polar Research Institute (TÜBITAK-MAMPRI), Turkey
- Natural Environment Research Council (NERC), UK

Secretariat:

- Renuka Badhe (Executive Secretary)
- Joseph Nolan (Policy Officer)
- Pjotr Elshout (Project Officer)
- Debbie Liauw (Administrative Assistant)

### Summary statement of income and expenditure per reporting date with budget 2020

	Actual 2020	Budget 2020
	€	€
<b>Income</b>		
Income from membership fees	171,000	171,000
Income from hosting party	50,000	50,000
Income project SO-CHIC	18,511	63,313
Income project INTERACT III	5,344	22,469
Income project EU-PolarNet 2	12,894	13,203
	<hr/>	<hr/>
Total income	257,749	319,985
<b>Expenditure</b>		
EPB Committee Meetings	3,618	10,000
Direct Science Activity	2,175	35,000
Communication & Outreach	4,861	62,000
Management and administration	154,317	149,798
Project costs SO-CHIC	17,704	50,651
Project costs INTERACT III	4,275	17,975
Project costs EU-PolarNet 2	10,315	10,562
	<hr/>	<hr/>
Total expenditure	197,265	335,986
	<hr/>	<hr/>
<b>Balance income and expenditure</b>	<b>60,484</b>	<b>-16,001</b>

The balance of income and expenditure has been added to the general reserve.

## Activities and financial perspective

For the period 2020, the EPB had a budgeted balance of income and expenditure of -/- € 16,001 and realised a balance of income and expenditure of € 60,484.

The realised income 2020 is approximately € 62,000 lower than budgeted, due to lower than budget income from the projects.

The realised expenditure is € 197,265, budgeted was € 335,986. The actual spent in the budget lines for 2020 was lower than expected, due to the lower costs than anticipated for activities such as the EPB Committee Meetings, Direct Science Activities and Communication & Outreach. The majority of these planned activities have been moved to 2021 due to the COVID-19 pandemic.

Several unrealized direct science activities are carried forward to the budget of 2021 as the activities continue in the next calendar years.

## Taxes

As of 2017 the Tax Administration designated European Polar Board as an institution for General Benefit (Algemeen Nut Beogende Instelling or ANBI). Donations to the Foundation can therefore be deducted from income tax, as well as from company and inheritance tax.

## Report of activities 2020

Planned celebrations and other activities to mark the EPB's 25<sup>th</sup> anniversary in 2020 were largely cancelled, postponed or changed to online formats in 2020.

The EU-funded Horizon 2020 project INTERACT III, in which the EPB is a partner, officially began in January 2020.

The EPB's Spring 2020 Plenary Meeting was on the 23<sup>rd</sup> of April 2020 and the Autumn 2020 Plenary Meeting was on 15<sup>th</sup> and 16<sup>th</sup> October 2020. Both Plenary Meetings were held online, due to the COVID-19 pandemic.

At the Spring Plenary 2020, By-law 1 was updated to create the possibility to renew incumbent EXCOM members or the Chair for a second consecutive term when there is no new candidate standing for election by acclimation, if still eligible. During the Autumn Plenary 2020 the election procedure (By-law 1) was amended to include voting via electronic polling.

H. Jóhannsson stepped down from the Executive Committee in April 2020. During the Autumn 2020 Plenary Meeting, P. Sköld was elected to the Executive Committee.

At the Autumn 2020 Plenary Meeting, the Turkish organisation TÜBITAK-MRC PRI was unanimously accepted as a new EPB member.

The EU-funded Horizon 2020 project EU-PolarNet 2, in which the EPB is a partner, officially began in October 2020.

In cooperation with organisers of the 3<sup>rd</sup> Arctic Science Ministerial (ASM3), Iceland and Japan, the EPB hosted an official ASM3 webinar series, starting in October 2020.

P. Elshout joined the Secretariat staff as a Project Officer in November 2020.

A project to coordinate the Southern Ocean research community's contribution to the UN Decade of Ocean Science for Sustainable Development in which the EPB is a partner, officially began in December 2020. The project is to coordinate with a workshop held in September 2021, along with the 4th Polar Data Forum meeting. The project is funded by BELSPO, with the EPB making in-kind contributions. The EPB is not a financial beneficiary in the project.

#### [Policy regarding continuity reserve and general reserve](#)

The EPB has a policy regarding holding a reserve for continuity which amounts to one year of operational costs. Plenary decided in the Spring 2016 Plenary Meeting that € 100,000 is the current appropriate level of this reserve, and this has been maintained at that level in 2020. Any results are first added to this reserve if needed, or added to a general reserve.

The general reserve is held by the EPB to finance its new, existing and developing activities in the future in line with its Strategy.

#### [Treasury policy](#)

All funds are held in a Dutch bank account. This to make certain the EPB can use its liquidity at all times. This reflects the low risk profile of treasury by the EPB.

#### [Communication with external stakeholders policy](#)

The EPB communicates with external stakeholders in a variety of ways. The EPB communicates with other organisations and partners directly through attendance and representation at a variety of relevant European and international meetings, using presentations, workshops and individual face to face contact.

Additionally, the EPB utilises a variety of online communication methods, including webinars, a website, an email newsletter, active Twitter and YouTube accounts and emails directly to individuals within partner organisations. [To increase efficiency of communication during the COVID-19 pandemic, the EPB utilised all relevant online communication tools.]

## Members of Board, financial committee and Governance

### Tasks and responsibility of Board members

The Board is charged with the management of the Association. Its duties include the adoption of a current policy plan that provides insight into the work to be carried out by the Association in the pursuit of its object, the manner in which income is to be acquired, the management of the capital of the Association and the deployment thereof. The Board shall ensure that the administration expenses of the Association are in reasonable proportion to the expenditure for the purposes of its object.

### Remuneration policy

Members of the Board shall receive no remuneration, either directly or indirectly, for the work they perform for the Association in that capacity. Members of the Board will receive a reasonable, non-excessive compensation for direct costs incurred for the benefit of the Association.

The Executive Secretary is a member of the Board (Executive Committee) and is head of the EPB Secretariat. The Executive Secretary receives a salary for their work as head of the EPB Secretariat.

### Composition, appointment and resolution of members of Executive Committee

<u>Name</u>	<u>Role</u>	<u>Date appointment</u>	<u>Term</u>	<u>Notes</u>
<i>Current EXCOM Members (June 2021):</i>				
Kirsi Latola	EPB Chair	November 2017	2 <sup>nd</sup>	
Nicole Biebow	EPB EXCOM Member	November 2017	2 <sup>nd</sup>	
Vito Vitale	EPB EXCOM Member	March 2019	1 <sup>st</sup>	
Peter Sköld	EPB EXCOM Member	October 2020	1 <sup>st</sup>	
Marie-Noelle Houssais	EPB EXCOM Member	April 2021	1 <sup>st</sup>	
Renuka Badhe	EPB Executive Secretary	January 2015	N/A	
<i>Former EXCOM Members in serving during 2020:</i>				
Antonio Quesada	EPB EXCOM Member	March 2017	2 <sup>nd</sup>	Stepped down April 2021
Halldór Jóhannsson	EPB EXCOM Member	March 2019	1 <sup>st</sup>	Stepped down April 2020

Before January 1<sup>st</sup> 2015, the EPB was part of the European Science Foundation. The EPB formed a non-governmental body under the auspices of the European Science Foundation. The EPB Board was composed of several Executive Committee Members. Terms of current Executive Committee Members include this previous period as well.



[Overview of other positions of members of Executive Committee](#)

<b><u>Name</u></b>	<b><u>Organisation</u></b>	<b><u>Position</u></b>
<i>Current EXCOM Members (June 2021):</i>		
Kirsi Latola	Thule Institute, University of Oulu	Research Coordinator
Nicole Biebow	Alfred Wegener Institute	Head, International Cooperation Unit
Vito Vitale	CNR Institute of Polar Science (ISP)	Senior Researcher
Peter Sköld	Arctic Research Centre (ARCUM) at Umeå University	Director
Marie-Noelle Houssais	Laboratory of Ocean and Climate (LOCEAN, CNRS-Sorbonne University Joint Unit)	Senior Scientist
Renuka Badhe	European Polar Board	Executive Secretary
<i>Former EXCOM Members serving during 2020:</i>		
Antonio Quesada	Universidad Autónoma de Madrid	Professor
Halldór Jóhannsson	Arctic Portal	Executive Director

## Future

The EPB Strategy 2017-2022 was adopted by the Plenary in the Spring Plenary 2017. During 2020, the EPB began an internal review process which is due to be completed in Autumn 2021, and followed by an external review process in 2022. The process to develop the EPB's next Strategy will begin at the end of 2021. The EPB participates in the ongoing EU-funded projects SO-CHIC (due to run until October 2024), INTERACT III (due to run until December 2023) and EU-PolarNet 2 (due to run until September 2024). The EPB will also participate in the EU-funded project Arctic PASSION (due to start in July 2021 and run until June 2025).

### Budget 2021

Budget year 2021 per budget item (approved at Spring 2021 Plenary Meeting)

	<u>2021</u>
	€
<b>Income</b>	
Member contributions	178,000
NWO contribution	50,000
SO-CHIC	63,313
INTERACT III	22,469
EU-PolarNet 2	<u>52,595</u>
Total income	<u>366,595</u>
<b>Expenditure</b>	
EPB Committee Meetings	20,000
Direct activity in Support of Polar Research Community	63,000
Direct activity costs project SO-CHIC	16,900
Direct activity costs project INTERACT	5,475
Direct activity costs project EU-PolarNet 2	12,500
Communication & Outreach	38,000
Operational costs	105,000
Personnel costs projects SO-CHIC, INTERACT and EU-PolarNet 2	<u>103,720</u>
Total expenditure	<u>364,595</u>
<b>Balance income and expenditure</b>	<u><u>2,000</u></u>

### Risk

The EPB has a strong position in Europe. The EPB is the voice and facilitator of European polar research coordination. Entry to this is subjected by the need of vast network of participants involved. Members of the EPB need relevancy from their memberships and have committed themselves to a 5-year program 2017-2022.

As an organisation which interacts as a communication channel and facilitator for Members and polar research in general compliance and reputation risks are at hand. Entering into agreements and/or connections with other parties in this high political environment could damage the reputation of the EPB. The EPB is very cautious in entering into a relationship with any organisation, such as a new Member, possible collaboration or connection. Decisions on this are made by Plenary and/or Executive Committee.

The EPB is exposed to financial risks by not receiving the membership fee in time or at all. Members are expected to pay every year during the first quarter of that year, but due to several reasons not every Member is able to cope with this. This risk is minimised by personal contact by the Executive Secretary with the applicable Member, contact with other Executive Committee Members and reporting on the status of payments during Plenary meetings.

The EPB has a continuity reserve of € 100,000 to cope with unexpected losses.

Risk profile of the EPB is acceptable and risks were adequately controlled during 2020.

Due to the outbreak of the corona virus worldwide, including the Netherlands, drastic measures have been taken by various governments to get the virus under control. The corona crisis and the measures are expected to have limited financial consequences for the foundation. There is no doubt about the going concern of EPB (there is a good cash position).

In the coming next years, the EPB is expected to further develop as an organisation as it continues work to fulfil its Strategy.

The Hague, ... 2021

Kirsi Latola  
Chair

Nicole Biebow  
EXCOM Member

Peter Sköld  
EXCOM Member

Marie-Noelle Houssais  
EXCOM Member

Vito Vitale  
EXCOM Member

Renuka Badhe  
Executive Secretary

A. Balance sheet as at 31 December 2020  
(after allocation of balance from income and expenditure)

<u>Ref.</u>	<u>31-12-2020</u>	<u>31-12-2019</u>
	€	€
<b>ASSETS</b>		
Current assets		
1.	6,500	46,500
2.	619,746	351,575
	- Receivables SO-CHIC	7,607
	<u>0</u>	<u>7,607</u>
	Total current assets	405,682
	<u>626,246</u>	<u>405,682</u>
	<b>Total assets</b>	<b>405,682</b>
	<u><b>626,246</b></u>	<u><b>405,682</b></u>
<b>LIABILITIES</b>		
Reserves		
3.	100,000	100,000
	- Continuity reserve	232,782
	- General reserve	<u>232,782</u>
	Total reserves	332,782
	<u>393,266</u>	<u>332,782</u>
Debts		
4.	232,980	72,900
	- Short-term debts	<u>72,900</u>
	<u>232,980</u>	<u>72,900</u>
	<b>Total liabilities</b>	<b>405,682</b>
	<u><b>626,246</b></u>	<u><b>405,682</b></u>

## B. Statement of income and expenditure

Ref.		Actual 2020	Budget 2020	Actual 2019
		€	€	€
<b>INCOME</b>				
5.	Income from membership fees	171,000	171,000	171,000
6.	Income from hosting party	50,000	50,000	50,000
7.	Income SO-CHIC	18,511	63,313	7,607
8.	Income INTERACT III	5,344	22,469	0
9.	Income EU-PolarNet 2	12,894	13,203	0
	Total income	<u>257,749</u>	<u>319,985</u>	<u>228,607</u>
<b>EXPENDITURE</b>				
<i>Spent on objectives</i>				
10.	- EPB Committee Meetings	3,618	10,000	12,029
11.	- Direct Science Activity	2,175	35,000	14,952
12.	- Communication & Outreach	4,861	62,000	8,148
	Total spent on objectives	<u>10,654</u>	<u>107,000</u>	<u>35,129</u>
	<i>EPB contribution to EU-PolarNet</i>	<u>0</u>	<u>0</u>	<u>1,852</u>
13.	<i>Management and administration</i>	<u>154,317</u>	<u>196,049</u>	<u>149,207</u>
14.	<i>Project costs SO-CHIC</i>	17,704	16,900	6,086
15.	<i>Project costs INTERACT III</i>	4,275	5,475	0
16.	<i>Project costs EU-PolarNet 2</i>	10,315	10,562	0
	Total expenditure	<u>197,265</u>	<u>335,986</u>	<u>192,274</u>
	<b>Balance income and expenditure</b>	<b><u>60,484</u></b>	<b><u>-16,001</u></b>	<b><u>36,333</u></b>
Allocation:				
	- General reserve	<u>60,484</u>	<u>-16,001</u>	<u>36,333</u>
	Total	<u>60,484</u>	<u>-16,001</u>	<u>36,333</u>

## C. Cash flow statement

<u>Ref.</u>	<u>2020</u>		<u>2019</u>	
	€	€	€	€
	<u>Cash flow from operational activities</u>			
		60,484		36,333
	Balance income and expenditure			
	Changes in working capital			
1.		47,607		39,143
	- Change in receivables			
4.		<u>160,080</u>		<u>-6,649</u>
	- Change in short-term debts			
		<u>207,687</u>		<u>32,494</u>
	Total changes in working capital			
		<u>268,171</u>		<u>68,827</u>
	Total cash flow from operational activities			
2.	<b>Changes in cash and cash equivalents</b>	<b><u>268,171</u></b>		<b><u>68,827</u></b>
		351,575		282,748
	Cash and cash equivalents 1 January			
		<u>619,746</u>		<u>351,575</u>
	Cash and cash equivalents 31 December			
		<u>268,171</u>		<u>68,827</u>
	Changes in cash and cash equivalents			

## D. Accounting principles

### General information

The reporting entity, the European Polar Board, was founded on March 23, 2016. It has its registered office at Laan van Nieuw Oost-Indië 300, 2593 CE in The Hague.

The fiscal year 2020 covers the period January 1, 2020 through December 31, 2020.

The objective of the Association, under its Articles of Association (art. 3.1) reads as follows:

*The Association has as its object:*

- a. to be the voice of the European polar research;*
- b. to facilitate cooperation in all fields of polar science in its Member states across Europe;*
- c. to perform all other actions related to the above in the broadest sense of those terms, or which could be beneficial to these.*

*The Association shall endeavor to achieve this object by, inter alia (art 3.2):*

- a. providing a forum for the comprehensive inclusion of all relevant partners in Europe and the broad coverage of all scientific fields of polar research;*
- b. promoting polar research to the European Community based on its bipolar vision;*
- c. providing a central organizational structure supporting European polar science;*
- d. supporting development of joint scientific programmes, in optimized use of European research infrastructures and in representation of polar issues within European research framework programmes.*

### Going concern

The accounting policies within the financial statements are based on the assumption that the European Polar Board will be able to continue as a going concern.

### RJ C1

This presentation of the financial statements is in accordance with Dutch Accounting Standard: Board's Guideline for Annual Reporting C1 for small not-for-profit organisations.

### Estimates

In applying the accounting policies and standards for preparing financial statements, the European Polar Board is required to make estimates and judgments that might be essential for the amounts disclosed in the annual accounts. If necessary for the purposes of providing the view required under Section 362(1), Book 2 of the Netherlands Civil Code, the nature of these estimates and judgments, including the related assumptions, has been disclosed in the notes to the relevant items.

## **Accounting principles for the balance sheet**

Unless otherwise indicated, assets and liabilities are entered at historical cost and are used for the objectives of the Association.

The balance sheet, income statement and cash flow statement include references to the notes.

### Receivables

Receivables are recognized at fair value. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of discounted value of the expected revenues. If a receivable appears to be uncollectible a provision for bad debts will be created and reported in the figures.

### Cash and cash equivalents

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

### Reserves

The continuity reserve is created to ensure that the Association can meet its legal and moral obligations in case of a significant fall in income in the future.

The general reserve is held by the EPB to finance its new, existing and developing activities in the future in line with its strategy. The General Reserve is used to finance multiyear activities planned by the EPB, and to finance the any deficit between income and expenditure in future budgets. The EPB is proactive in reallocating finances from its general reserve in response to unforeseen circumstances, with the general reserve allowing for flexibility and responsiveness.

### Liabilities

Liabilities are initially recognized at fair value. Transaction costs directly attributable to the incurrance of the liabilities are included in the measurement on initial recognition. Liabilities are subsequently measured at amortized costs; this is the amount received plus or less any premium or discount and net of transaction costs.

## **Accounting principles for the statement of income and expenditure**

### Income and expenditure

Income and expenditure are recognised as they are earned or incurred and are recorded in the financial statements of the period to which they relate. Losses are taken into account if they originate in the financial year and as soon as these are anticipated. Profit or loss is determined as the difference between realisable value of the services delivered and the costs and other charges for the year.



The project income is recorded as income and matched with the expenditure, according to the project agreement, in the financial statements of the period to which they relate. The personnel costs are based on the real personnel cost and time registration of each employee.

Labour costs are taken to the income statement based on the terms of employment, where they are due to employees.

### **Accounting principles for the cash flow statement**

The cash flow statement has been prepared using the indirect method. The cash items disclosed in the cash flow statement comprise cash at banks and in hand except for deposits with a maturity longer than three months. Cash flows denominated in foreign currencies have been translated at average estimated exchange rates. Exchange differences affecting cash items are shown separately in the cash flow statement. Interest paid and received, dividends received and income taxes are included in cash from operating activities. Transactions not resulting in inflow or outflow of cash, including finance leases, are not recognised in the cash flow statement.

### **Accounting principles for transactions in foreign currency**

#### Functional currency

Items included in the financial statements are valued with due regard for the currency in the economic environment in which the Association carries out most of its activities (the functional currency). The financial statements are denominated in euros; this is both the functional currency and presentation currency of the Association.

#### Transactions

Transactions in foreign currencies are stated in the financial statements at the exchange rate of the functional currency on the transaction date.

## E. Notes to the balance sheet

	<u>31-12-2020</u>	<u>31-12-2019</u>
	€	€
1. <u>Receivables</u>		
Amounts receivable	<u>6,500</u>	<u>46,500</u>
Total receivables	<u><u>6,500</u></u>	<u><u>46,500</u></u>
- Amounts receivable		
Mineco Ministerio de Economia y Competit Spain	6,500	3,250
NWO	0	40,000
Politique Scientific Federale	<u>0</u>	<u>3,250</u>
Total amounts receivable	<u><u>6,500</u></u>	<u><u>46,500</u></u>
2. <u>Cash and cash equivalents</u>		
ABN AMRO - Bank Account	394,352	251,575
ABN AMRO - Bank Account project	122,331	0
ABN AMRO - Bank Saving Account	100,000	100,000
Credit Card - ICS	<u>3,063</u>	<u>0</u>
Total cash and cash equivalents	<u><u>619,746</u></u>	<u><u>351,575</u></u>

The cash and cash equivalents can be withdrawn upon demand.

	<u>31-12-2020</u>	<u>31-12-2019</u>
	€	€
3. <u>Reserves</u>		
- Continuity reserve		
Balance at 1 January 2020	100,000	100,000
Allocation balance income and expenditure	<u>0</u>	<u>0</u>
Balance at 31 December 2020	<u><u>100,000</u></u>	<u><u>100,000</u></u>

The Board has decided to create a continuity reserve of € 100,000 to cope with unexpected losses.

- General reserve		
Balance at 1 January 2020	232,782	196,449
Allocation balance income and expenditure	<u>60,484</u>	<u>36,333</u>
Balance at 31 December 2020	<u><u>293,266</u></u>	<u><u>232,782</u></u>

The general reserve is held by the EPB to finance its new, existing and developing activities in the future in line with its Strategy. The General Reserve is used to finance multiyear activities planned by the EPB, and to finance the any deficit between income and expenditure in future budgets. The EPB is proactive in reallocating finances from its general reserve in response to unforeseen circumstances, with the general reserve allowing for flexibility and responsiveness.

Due to the COVID-19 pandemic, several planned activities have been postponed to subsequent years. Their allocated costs will be carried forward to future budgets.

4. <u>Short-term debts</u>		
Received in advance		
- SO-CHIC	96,286	0
- INTERACT III	38,096	0
- EU-PolarNet 2	89,210	0
Staff and travel costs	7,732	72,900
Other short-term debts	<u>1,656</u>	<u>0</u>
Total short-term debts	<u><u>232,980</u></u>	<u><u>72,900</u></u>

	<u>31-12-2020</u>	<u>31-12-2019</u>
	€	€
- Received in advance SO-CHIC		
Balance at 1 January	0	
Received payment 2020	122,404	
Income 2019	-7,607 *	
Income 2020	<u>-18,511</u>	
Balance at 31 December	<u><u>96,286</u></u>	<u><u>0</u></u>

\* In the annual accounts 2019 the income 2019 was presented as receivables SO-CHIC.

- Received in advance INTERACT III

Balance at 1 January	0	
Received payment 2020	43,440	
Income 2020	<u>-5,344</u>	
Balance at 31 December	<u><u>38,096</u></u>	<u><u>0</u></u>

- Received in advance EU-PolarNet 2

Balance at 1 January	0	
Received payment 2020	102,104	
Income 2020	<u>-12,894</u>	
Balance at 31 December	<u><u>89,210</u></u>	<u><u>0</u></u>

## OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES

With the 'Nederlandse Organisatie voor Wetenschappelijk Onderzoek' (NWO) a hosting agreement until 2020 has been agreed upon as decided by Plenary Meeting in Autumn 2014. NWO will facilitate housing, office, IT, finance, administration and staffing services.

In April 2018, the EPB received notification from NWO of their decision to extend their offer to host the Secretariat in The Hague for a second period of 5 years, starting on 1st January 2020 and ending 31st December 2024. The offered conditions of the hosting agreement remain the same as the first 5-year period, subject to practical and required operational adjustments based on mutual agreement between the EPB and NWO.

## POST BALANCE SHEET EVENTS

There have been no significant events post balance date which would materially affect the annual accounts.

## F. Notes to the statement of income and expenditure

	<u>Actual 2020</u>	<u>Budget 2020</u>	<u>Actual 2019</u>
	€	€	€
<b>INCOME</b>			
<b>5. <u>Income from membership fees</u></b>			
Membership fees	<u>171,000</u>	<u>171,000</u>	<u>171,000</u>
Total income from membership fees	<u><u>171,000</u></u>	<u><u>171,000</u></u>	<u><u>171,000</u></u>
<b>6. <u>Income from hosting party</u></b>			
Contribution hosting party	40,000	40,000	40,000
Contribution hosting party in kind	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
Total income from hosting party	<u><u>50,000</u></u>	<u><u>50,000</u></u>	<u><u>50,000</u></u>
<b>7. <u>Income project SO-CHIC</u></b>			
Income project SO-CHIC	22,130		
Income project SO-CHIC - 2019	<u>-3,619</u> *		
Total income project SO-CHIC	<u><u>18,511</u></u>	<u><u>63,313</u></u>	<u><u>7,607</u></u>
<b>8. <u>Income project INTERACT III</u></b>	<u><u>5,344</u></u>	<u><u>22,469</u></u>	<u><u>0</u></u>

\* The realised salary expenses of 2019 were based on an inaccurate month-rate, also the expenses of the executive secretary were unjustified included in the realised salary expenses of 2019. This has been corrected in 2020.

The EPB is one of the partners in the EU project SO-CHIC. The coordinator of the SO-CHIC project is the Sorbonne University. The project has started on November 1st 2019 and has a duration of 48 months. The total budget of EPB is € 253,250, the total budget of the project is € 7,989,925.

The EPB is one of the partners in the EU project INTERACT III. The coordinator of the INTERACT III project is the Lund University. The project has started on January 1st 2020 and has a duration of 48 months. The total budget of EPB is € 89,875, the total budget of the project is € 10,000,000.

	<u>Actual 2020</u>	<u>Budget 2020</u>	<u>Actual 2019</u>
	€	€	€
9. <u>Income project EU-PolarNet 2</u>	<u>12,894</u>	<u>13,203</u>	<u>0</u>

The EPB is one of the partners in the EU project EU-PolarNet 2. The coordinator of the EU-PolarNet 2 project is the Alfred Wegener Institute. The project has started on October 1st 2020 and has a duration of 48 months. The total budget of EPB is € 211,250, the total budget of the project is € 3,299,254.

#### EXPENDITURE

10. <u>Direct costs: EPB Committee Meetings</u>			
EPB Committee Meetings	<u>3,618</u>		<u>12,029</u>
Total direct costs EPB Committee Meetings	<u>3,618</u> *	<u>10,000</u>	<u>12,029</u>

\* Direct costs for EPB Committee are mainly costs incurred by travelling abroad by the Executive Secretary and facilitation/organisation of EPB meetings abroad. EU-PolarNet activities and EPB Committee Meetings activities are combined in several occasions. Due to the COVID-19 pandemic, less EPB committee meetings were made than originally planned.

11. <u>Direct costs: Direct Science Activity</u>			
EPB Action Groups	2,175	5,000	543
Infrastructure online database	0	15,000	4,850
Support for EU-PolarNet Meetings (EPB Support)	0	0	9,559
Expertise exchange programme	0	10,000	0
Large-scale polar research initiative scouting	<u>0</u>	<u>5,000</u>	<u>0</u>
Total direct costs Direct Science Activity	<u>2,175</u>	<u>35,000</u>	<u>14,952</u>

Due to the COVID-19 pandemic and associated travel restrictions in 2020, less direct science activity (which in many cases relies on in-person meetings and travel) were realised than originally planned. In July 2020, a meeting of EPB Members reallocated funding from these to other activities.

	<u>Actual 2020</u>	<u>Budget 2020</u>	<u>Actual 2019</u>
	€	€	€
12. <u>Direct costs: Communication &amp; Outreach</u>			
EPB website (training, maintenance)	1,048	3,000	2,076
EPB Outreach	3,012	4,000	5,786
Publication costs	0	0	286
Support for policy initiatives	320	10,000	0
EPB ASM3 webinar series	481	5,000	0
EPB archiving and EPB 25 publication	0	10,000	0
EPB conference/symposium	0	30,000	0
	<u>0</u>	<u>30,000</u>	<u>0</u>
Total direct costs Communications & Outreach	<u>4,861</u>	<u>62,000</u>	<u>8,148</u>

Due to the COVID-19 pandemic and associated travel restrictions in 2020, communication and outreach activity (which in many cases relies on in-person meetings and travel) were realised than originally planned. In July 2020, a meeting of EPB Members reallocated funding from these to other activities.

13. <u>Management and administration</u>			
C2 Employment costs for Policy	65,711	73,486	50,526
C3 Employment costs for Executive Officer	109,961	95,000	101,473
Allocated to SO-CHIC	-15,698	0	-5,000
Allocated to INTERACT III	-3,819	0	0
Allocated to EU-PolarNet 2	-10,315	-7,437	0
Other operational costs	4,693	10,000	2,208
Internal and external review	3,784	25,000	0
	<u>3,784</u>	<u>25,000</u>	<u>0</u>
Total management and administration	<u>154,317</u>	<u>196,049</u>	<u>149,207</u>

The members of the Executive Committee receive no remuneration. The Executive Secretary is only compensated for their work at the Secretariat.

As of January 2018, an Executive Secretary for 1.0 FTE and a Policy Officer for 1.0 FTE were working for the EPB within NWO as a host organisation. Since January 2020 the Policy Officer is employed at the EPB for 1.0 FTE and no longer works for NWO. A Project Officer has also been hired since November 2020 for 1.0 FTE.

	<u>Actual 2020</u>	<u>Budget 2020</u>	<u>Actual 2019</u>
	€	€	€
14. <u>Project costs SO-CHIC</u>			
Labor costs	15,698	0	5,000
Travel and other costs	<u>2,006</u>	<u>16,900</u>	<u>1,086</u>
Total project costs SO-CHIC	<u><u>17,704</u></u>	<u><u>16,900</u></u>	<u><u>6,086</u></u>
15. <u>Project costs INTERACT III</u>			
Labor costs	3,819	0	
Travel and other costs	<u>456</u>	<u>5,475</u>	
Total project costs INTERACT III	<u><u>4,275</u></u>	<u><u>5,475</u></u>	<u><u>0</u></u>
16. <u>Project costs EU-PolarNet 2</u>			
Labor costs	10,315	7,437	
Travel and other costs	<u>0</u>	<u>3,125</u>	
Total project costs EU-PolarNet 2	<u><u>10,315</u></u>	<u><u>10,562</u></u>	<u><u>0</u></u>

The Hague, ... 2021

Kirsi Latola  
Chair

Nicole Biebow  
EXCOM Member

Peter Sköld  
EXCOM Member

Marie-Noelle Houssais  
EXCOM Member

Vito Vitale  
EXCOM Member

Renuka Badhe  
Executive Secretary



## Project: SO-CHIC

**Information**

Grant Agreement: 821001  
 Start: 01-11-2019  
 End: 01-11-2023  
 Duration: 48 months  
 Reporting period 1: 1 t/m 18 months (01-05-2021)  
 Reporting period 2: 19 t/m 36 months (01-11-2022)  
 Reporting period 3: 37 t/m 48 months (01-11-2023)

	<b>Budget</b>	Annual report 2019	Actual 2019	Correction 2019	Actual 2020	2021	2022	2023	Total
	€	€	€	€	€	€	€	€	€
Personal costs: 27 person months à € 5,000	a	135,000	5,000	2,105	-2,895	15,698			19,908
Subcontracting	b	0	0	0	0	0			0
Other direct costs:									
- Travel		15,000	1,086	1,086	0	0			2,172
- Other goods and services		52,600	0	0	0	2,006			2,006
Subtotal other direct costs	c	67,600	1,086	1,086	0	2,006	0	0	4,178
Total direct costs (a + c)		202,600	6,086	3,191	-2,895	17,704	0	0	24,086
Indirect costs (25% of a + c)	d	50,650	1,521	798	-724	4,426	0	0	6,021
Total budget (a + b + c + d)		253,250	7,607	3,989	-3,619	22,130	0	0	30,107
Maximum allowable EC Contribution (a + b + c + d)		253,250	7,607	3,989	-3,619 A	22,130 B	0	0	30,107

\* A + B = € 18,511. See financial report 2020.

## Project: INTERACT

**Information**

Grant Agreement: 871120  
 Start: 01-01-2020  
 End: 31-12-2023  
 Duration: 48 months  
 Reporting period 1: 1 t/m 18 months (01-05-2021)  
 Reporting period 2: 19 t/m 36 months (01-11-2022)  
 Reporting period 3: 37 t/m 48 months (01-11-2023)

	<b>Budget</b>	<b>Realisation</b>					<b>Total</b>
		<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	
	€	€	€	€	€	€	€
Personal costs: 9 person months	a	50,000	3,819				3,819
Subcontracting	b	0	0				0
Other direct costs:							
- Travel		12,900	456				456
- Other goods and services		9,000	0				0
Subtotal other direct costs	c	21,900	456	0	0	0	456
Total direct costs (a + c)		71,900	4,275	0	0	0	4,275
Indirect costs (25% of a + c)	d	17,975	1,069	0	0	0	1,069
Total budget (a + b + c + d)		89,875	5,343	0	0	0	5,343
Maximum allowable EC Contribution (a + b + c + d)		89,875	5,343	0	0	0	5,343

## Project: EU-PolarNet2

**Information**

Grant Agreement: 101003766  
 Start: 01-10-2020  
 End: 30-09-2024  
 Duration: 48 months  
 Reporting period 1: 1 t/m 18 months (31-03-2022)  
 Reporting period 2: 19 t/m 36 months (30-09-2023)  
 Reporting period 3: 37 t/m 48 months (30-09-2024)

	<b>Budget</b>	<b>Realisation</b>					<b>Total</b>	
		<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>		
	€	€	€	€	€	€	€	
Personal costs: (€ 8,500 x 14 months)	a	119,000	10,315					10,315
Subcontracting	b	0	0					0
Other direct costs:								
- Travel	}	50,000	0					0
- Other goods and services			0					0
Subtotal other direct costs	c	50,000	0	0	0	0	0	0
Total direct costs (a + c)		169,000	10,315	0	0	0	0	10,315
Indirect costs (25% of a + c)	d	42,250	2,579	0	0	0	0	2,579
Total budget (a + b + c + d)		<u>211,250</u>	<u>12,894</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>12,894</u>
Maximum allowable EC Contribution (a + b + c + d)		<u><u>211,250</u></u>	<u><u>12,894</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>12,894</u></u>