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International Society for Microbial Ecology
located, Wageningen
Report on the annual accounts
2015

Draft

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1. AUDITORS' REPORT

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International Society for Microbial Ecology
To the attention of the board
Droevendaalsesteeg 10
6708 PB WAGENINGEN

Referentie : J.P. IJkema
Cliëntnummer : 22759
Datum :
Vestiging : Ede

Dear members of the board,

We hereby report to you on the work carried out by us on the report on the annual accounts 2015 of your society.

1.1 Accountant's compilation report

Considering the fact that we have not completed the compilation of these financial statements yet, we have not issued a compilation report at this moment. In accordance with professional standards we have mentioned 'unaudited' on each page of these financial statements.

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1.2 General

Registration Chamber of Commerce

International Society for Microbial Ecology is registered at the Chamber of Commerce in Arnhem, The Netherlands, number 09191073.

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1.3 Results

Analysis of the result

	2015		2014		Movement	
	€	%	€	%	€	%
Net Turnover	420.157	100,0	411.117	100,0	9.040	2,2
Cost of sales	-8.048	-1,9	-47.078	-11,5	39.030	82,9
Gross margin	412.109	98,1	364.039	88,5	48.070	13,2
Congresses	-74.282	-17,7	9.604	2,3	-83.886	-873,4
Gross margin	337.827	80,4	373.643	90,8	-35.816	-9,6
Other operating expenses	90.607	21,6	122.767	29,8	-32.160	-26,2
Total operating expenses	90.607	21,6	122.767	29,8	-32.160	-26,2
Operating result	247.220	58,8	250.876	61,0	-3.656	-1,5
Financial income and expense	13.963	3,3	11.727	2,9	2.236	19,1
Result of ordinary activities	261.183	62,1	262.603	63,9	-1.420	-0,5

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1.4 Financial position

To provide insight in the development of the financial position of the Company we provide you with the following statements. These are based on the information from the annual report. Hereafter we provide you with the balance sheet as at 31 December 2015 in an abridged form.

Financial structure

	<u>31-12-2015</u>		<u>31-12-2014</u>	
	€	%	€	%
Assets				
Receivables	253.568	20,9	225.143	24,4
Cash	958.286	79,1	697.271	75,6
	<u>1.211.854</u>	<u>100,0</u>	<u>922.414</u>	<u>100,0</u>
Liabilities				
Capital	1.130.881	93,3	869.698	94,3
Short-term liabilities	80.973	6,7	52.716	5,7
	<u>1.211.854</u>	<u>100,0</u>	<u>922.414</u>	<u>100,0</u>

Analysis of the financial position

	<u>31-12-2015</u>	<u>31-12-2014</u>
	€	€
Available on short term		
Receivables	253.568	225.143
Cash	958.286	697.271
	<u>1.211.854</u>	<u>922.414</u>
Short-term liabilities	<u>-80.973</u>	<u>-52.716</u>
Liquidity surplus = working capital	<u>1.130.881</u>	<u>869.698</u>
Established for the long term		
Financed with on the long term available assets	<u>1.130.881</u>	<u>869.698</u>
Financing		
Capital	<u>1.130.881</u>	<u>869.698</u>

2. FINANCIAL STATEMENTS

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**INTERNATIONAL SOCIETY FOR MICROBIAL ECOLOGY
WAGENINGEN**

2.1 Balance sheet as at 31 December 2015

		31-12-2015		31-12-2014	
		€	€	€	€
ASSETS					
CURRENT ASSETS					
Receivables					
Accruals and prepaid expenses	1		253.568		225.143
Cash	2		958.286		697.271
			1.211.854		922.414
Total assets			1.211.854		922.414
LIABILITIES					
CAPITAL					
	3		1.130.881		869.698
SHORT-TERM LIABILITIES					
Amounts owed to credit institutions	4	3.971		277	
Trade creditors	5			2.911	
Other liabilities and accrued expenses	6	77.002		49.528	
			80.973	52.716	
Total liabilities			1.211.854	922.414	

2.2 Statement of income and expenses for the year 2015

		2015	2014
		€	€
Net Turnover	7	420.157	411.117
Cost of sales	8	-8.048	-47.078
Gross margin		<u>412.109</u>	<u>364.039</u>
Congresses	9	-74.282	9.604
Gross margin		337.827	373.643
Other operating expenses	10	90.607	122.767
Operating result		<u>247.220</u>	250.876
Other interest and similar income	11	3.203	2.859
Value changes of receivables from fixed assets and securities	12	13.312	10.732
Interest and similar expenses	13	-2.552	-1.864
Financial income and expense		<u>13.963</u>	<u>11.727</u>
Result of ordinary activities		<u><u>261.183</u></u>	<u><u>262.603</u></u>

2.3 Notes to the financial statements

General

The annual accounts have been drawn up in accordance with the provisions of the Dutch Accounting Standard for Annual Reporting 640 Non-profit organisations.

The valuation of assets and liabilities and the determination of the result are based on historical cost. Unless presented otherwise at the relevant principle for the specific balance sheet item, assets and liabilities are valued at cost.

Income and expenses are accounted for on accrual basis. Profit is only included when realized on the balance sheet date. Losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

Activities

The activities of International Society for Microbial Ecology, having its legal seat at Wageningen, primarily consist of:

the promotion of education and research activities in microbial ecology.

Board as at December 31

- President: J.K. Janson
- Vice-President: J.C. Murrell
- Secretary/Treasurer: M.J. Bailey
- Past President: M. Wagner
- Member Board: R.I. Amann
- Member Board: S. Okabe
- Member Board: A.H. Frostegard
- Member Board: J.K. Fredrickson
- Member Board: M.E. Martinez Romero
- Member Board: N.S. Webster
- Member Board: J.C. Murrell
- Member Board: K. Küsel
- Member Board: M.W. Taylor
- Member Board: M.C. Alonso Urquiola
- Member Board: V.J. Orphan

Translation of foreign currency

Receivables, liabilities and obligations denominated in foreign currency are translated at the exchange rates prevailing as at balance sheet date.

Transactions in foreign currency during the financial year are recognized in the financial statements at the exchange rates prevailing at transaction date. The exchange differences resulting from the translation as at balance sheet date, taking into account possible hedge transactions, are recorded in the statement of income and expenses.

Accounting policies in respect of the valuation of assets and liabilities

Accounts receivable

Upon initial recognition the receivables are valued at fair value. Provisions deemed necessary for possible bad debt losses are deducted. These provisions are determined by individual assessment of the receivables.

**INTERNATIONAL SOCIETY FOR MICROBIAL ECOLOGY
WAGENINGEN**

Cash at bank

Cash and cash equivalents are valued at face value. If cash is not freely available this is taken into account for the valuation.

Current liabilities

Upon initial recognition, current liabilities are stated at fair value.

Accounting policies in respect of result determination

General

Revenues from services are recognized in proportion to the services rendered, based on the cost incurred in respect of the services performed up to balance sheet date, in proportion to the estimated costs of the aggregate services to be performed. The cost price of these services is allocated to the same period.

Net turnover

Net turnover represents amounts invoiced for services supplied during the financial year reported on, net of discounts.

Revenues from services are recognized in proportion to the services rendered. The cost price of these services is allocated to the same period.

Other operating expenses

Costs are taken into account under the historical cost convention and allocated to the period concerned.

Net financial result

Interest income and expenses consist of interest received from or paid to third parties.

**INTERNATIONAL SOCIETY FOR MICROBIAL ECOLOGY
WAGENINGEN**

2.4 Notes to the balance sheet

Assets

Current assets

Receivables

	<u>31-12-2015</u>	<u>31-12-2014</u>
	€	€
Other receivables and accrued income		
ISME Journal partner share	183.547	207.076
NIOO Rhizo Project	-	9.007
Interest	1.155	1.060
Prepaid costs ISME 16	68.866	-
Other receivables	-	8.000
	<u>253.568</u>	<u>225.143</u>

2 Cash

Rabobank NL73 RABO 0148 9969 49	277.149	154.107
Rabobank NL84 RABO 3492 6036 29	25.050	45.681
Rabobank NL20 RABO 3492 6070 12	26.690	26.484
Rabobank 4610.239.079 (USA)	-	101.912
Rabobank NL41 RABO 0157 3170 21	25.364	150.956
Rabobank NL20 RABO 3292 2609 81	600.000	214.252
Rabobank NL65 RABO 3463 5242 44	2.048	2.033
Rabobank NL05 RABO 0174 3301 11	702	54
PayPal	1.283	1.792
	<u>958.286</u>	<u>697.271</u>

**INTERNATIONAL SOCIETY FOR MICROBIAL ECOLOGY
WAGENINGEN**

Liabilities

3 Capital

Movements in equity were as follows:

	<u>Capital</u>
	€
Balance as at 1 January 2015	869.698
Result for the year	261.183
	<hr/>
Balance as at 31 December 2015	1.130.881
	<hr/> <hr/>

Short-term liabilities

	<u>31-12-2015</u>	<u>31-12-2014</u>
	€	€

4 Amounts owed to credit institutions

Amounts owed to credit institutions	3.971	277
	<hr/>	<hr/>

Amounts owed to credit institutions

VISA Card	3.971	277
	<hr/>	<hr/>

5 Trade creditors

Trade creditor	-	2.911
	<hr/>	<hr/>

6 Other liabilities and accrued expenses

Awards Costerton	1.500	1.500
Advance receivables membership fees	35.768	45.348
Audit fees	3.630	2.680
Secretary costs	34.458	-
Advice costs	1.646	-
	<hr/>	<hr/>
	77.002	49.528
	<hr/>	<hr/>

2.5 Notes to the statement of income and expenses

	<u>2015</u>	<u>2014</u>
	€	€
7 Net Turnover		
Membership fees	71.852	96.483
Revenues ISME Journal	348.305	314.634
	<u>420.157</u>	<u>411.117</u>
8 Cost of sales		
Cost of sales	<u>8.048</u>	<u>47.078</u>
Cost of sales		
Editors ISME Journal	5.376	10.026
Publishers ISME Journal	-	37.052
Ambassadors Programs	2.672	-
	<u>8.048</u>	<u>47.078</u>
9 Congresses		
Registration fees	-	778.747
Sponsorships	21.757	164.071
Audio visual	-	-17.154
Catering	-	-223.091
Exhibition	-	-45.858
General	-998	-31.823
Hotels	-	-96.272
Power & internet	-	-13.945
Printing	-	-25.558
Registration abstract	-	-45.642
Venue	-	-243.177
Event coordination	-95.041	-150.419
Reimbursements	-	-37.934
Others	-	-2.341
	<u>-74.282</u>	<u>9.604</u>

**INTERNATIONAL SOCIETY FOR MICROBIAL ECOLOGY
WAGENINGEN**

	<u>2015</u>	<u>2014</u>
	€	€
10 Other operating expenses		
Selling expenses	2.198	51.720
Office expenses	6.664	8.810
General expenses	81.745	62.237
	<u>90.607</u>	<u>122.767</u>
	<u><u>90.607</u></u>	<u><u>122.767</u></u>
Selling expenses		
Travelling and hotel expenses	2.198	12.555
Support	-	34.050
Website	-	5.115
	<u>2.198</u>	<u>51.720</u>
	<u><u>2.198</u></u>	<u><u>51.720</u></u>
Office expenses		
Office supplies	160	1.078
Postage expenses	1.276	-510
Telephone and fax expenses	2.965	5.069
Automation expenses	1.110	2.339
Insurance premium	599	508
Other office expenses	554	326
	<u>6.664</u>	<u>8.810</u>
	<u><u>6.664</u></u>	<u><u>8.810</u></u>
General expenses		
Audit costs	5.456	3.749
Notarial expenses	1.646	-
Secretary costs	74.639	58.778
Other general expenses	4	-290
	<u>81.745</u>	<u>62.237</u>
	<u><u>81.745</u></u>	<u><u>62.237</u></u>

**INTERNATIONAL SOCIETY FOR MICROBIAL ECOLOGY
WAGENINGEN**

Financial income and expense

	<u>2015</u>	<u>2014</u>
	€	€
11 Other interest and similar income		
Received bank interest	<u>3.203</u>	<u>2.859</u>
12 Value changes of receivables from fixed assets and securities		
Value changes financial fixed asset securities	<u>13.312</u>	<u>10.732</u>
13 Interest and similar expenses		
Paid bank interest	<u>2.552</u>	<u>1.864</u>

Wageningen,

J.K. Jansson
President

M.J. Bailey
Secretary / Treasurer

J.C. Murrell
Vice-President

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