

Stichting Food Valley
Bronland 10F
6708 WH WAGENINGEN

Annual report 2022

Wageningen,
Stichting Food Valley/2022

Foodvalley NL annual report 2022: Staying ahead of the curve in times of transition

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Board report

Summary

The board is pleased about the progress made last year and with the increased engagement of partners to move matters forward. The importance of Foodvalley's mission becomes more evident each day in the turbulent and dynamic world we find ourselves in. The aftermath of COVID-19, the war in Ukraine, and crises piling up with in the Netherlands such as the nitrogen emissions becoming the heart of ongoing societal debate, all affect the food transition. In 2022 we noticed an increased engagement from our fast-growing and diverse partner base. This is a key indicator of wider engagement and support for our work for food transition.

Mission and vision

By 2050, the food system must provide food security for 10 billion people worldwide. Affordable, healthy, tasty and sustainable food, produced with respect for animals and our planet. It is a big challenge, but one that is achievable if we join forces to shape the future of food together.

As Practice Leader, Foodvalley NL puts thoughts and ambitions into practice. As an independent organisation, we drive collective action with frontrunners across sectors and countries. We provide access to the right people, financial resources, shared facilities and best practices. The result: viable businesses and new healthy sustainable sectors.

Join us and shape the future of food together. www.foodvalley.nl

Organisation Structure

Board:

- Edith Schippers – Chair
- Arjen van Tunen
- Peter Drenth
- Marjolein Verkerk
- Yvonne Rooijackers
- Serpil Tascioglu
- Rens Buchwaldt
- Maud Hulshof

Delegated responsibilities: Managing Director: Marjolein Brasz

Activity Report

Highlights of 2022 include positive results in initiatives and in thriving communities. Foodvalley initiated and drives forward the Bean Deal, launched in July 2022, a collaboration of 56 parties to increase production and consumption of protein-rich crops for human consumption. Also launched were two Foodboost Challenges that make the 'healthy choice the easy choice'. One is about fruits and vegetables and the other about a healthier eating environment for young people.

Foodvalley noted an increase in engagement, with network partners joining Communities, leading to the rapid growth of two new Communities: Personalised Nutrition and Upcycling. The Protein Community also continued to grow with the celebration of its 125th partner and its 5th anniversary at the annual partner event in November.

Foodvalley supports a thriving ecosystem of global connections, shared facilities and entrepreneurship support services. These are essential for validation and scaling and reducing the time to market for innovations. In 2022, Foodleap was launched, a data platform for online collaboration, providing access to a collective brain and network. Foodvalley also increased its activity in its European network, in Aurora, and identified interesting grants with other European cluster organisations, aiming to exchange knowledge and best practices between similar European organisations by organising roadshows.

Furthermore, 10+ European partners participated in the Like A Pro project, aimed at mainstreaming alternative proteins in Europe. In addition, Foodvalley worked with European cluster organisations, in Global Foodture, to strengthen cooperation with Asian networks, identify future partners from this region and strengthen interaction between companies in the Foodvalley network.

The Food Innovation Hub Europe gives Foodvalley access to a global network of similar organisations that can exchange knowledge on best practices and explore potential barriers and solutions together. The network was further strengthened in 2022 by joining five other hubs outside Europe. The Shared Facility Finder (SFF), a collaborative initiative of Foodvalley and Wageningen University & Research (WUR), promotes shared use of facilities between companies, entrepreneurs and institutions. With more than 350 research equipment and innovation facilities already accessible through the platform, it has proved to be a valuable asset in shortening time to market. The network of shared facilities has continued to grow in 2022, an additional 80 organisations joined the finder to share their equipment and facilities, facilitating collaboration and encouraging innovation in the food industry.

Next to this, Foodvalley supports entrepreneurs to grow better, more sustainably and faster through the jointly developed Fastlane programme, together with other support organisations such as StartLife, Scale-up Food and InvestNL. It serves its partners with a bracket of tailored support, connecting them to the right investments, grants, right talent, coaching and improving their product and go-to-market strategy. The results of this support are extensive: organisations like Rival Foods have secured €6 million in funding and Health Food Wall registered more than 200% growth in the adoption of their stock of smart refrigerators.

Foodvalley organisation

Getting things moving requires an agile and scalable Foodvalley organisation. The composition of the team changed over 2022, with some colleagues leaving and others joining the organisation. At the same time, the organisation and staff continue to better understand the unique Foodvalley proposition, and how we can best help others to accelerate change and our position in this changing world. And we notice we are an attractive party for job seekers. As a knowledge- and relationship-intensive organisation, time has been put into digitalisation the organisation and our partner propositions. At the end of the year Foodvalley employed 16 staff and engaged with some 4 regular contributors on an FTE basis. Transitions of staff during the year did have some effect of slowing down some initiatives.

Financial results

Foodvalley started the year with €285,994 of underutilized funds from 2021 that were added to the 2022 budget of €3,999,411. Income from grant projects grew to €247,197 (2021 - €192,058). Income from partners and other contracts also increased to €447,447 (2021 - €331,346). This income from grant projects and partners and other contracts is almost entirely non-recurring, although partner memberships are generally continued yearly. Funds not spent (within 10% allocation) are put to the reserves to assure future continuation. Most of the funds available for the year 2022 (in total €4,694,055) have been spent (2021 - €4,966,272). Because of changes in staff levels throughout the year, staff costs were slightly lower last year.

Risks and risk mitigation

The primary risks for Foodvalley are the availability of (public) funding for its activities, the availability and engagement of sufficient staff to execute projects and the relatively small size to ensure appropriate (financial) controls. Funding from the Province of Gelderland is secured through the calendar year 2025 at the current annual level and continuation of this funding beyond that date, at possibly a lower level, is subject to political decision making. Foodvalley is intimately engaged with the province to ensure its efforts align with the interests of the province, and to positively influence policy development and decision making regarding future funding. During the year efforts have started to pursue and enlarge alternative base funding sources, from parties such as the national government and philanthropic foundations.

The Foodvalley team is vibrant, confident and very much dedicated to the Foodvalley mission. Teambuilding activities, regular team and management meetings are in place to ensure continued engagement. By actively communicating both the mission and the results of Foodvalley, Foodvalley reaches out to the labor market to attract the necessary new talent.

Financial controls are in place through an annual budgeting cycle, regular review of results by the board, and use of a third party administrative office.

Looking forward to 2023

Foodvalley is full of ambition and drive to show even more what it means to be Practice Leader and to help people to get moving. 2023 will be the year of making our results substantial with more tangible evidence. In showcases, concrete results in initiatives and communities that make Foodvalley the widely recognised and acknowledged organisation for shaping the future of food, together with its partners.

For 2023 no major investments are foreseen, as the current premises are fully up to date. Funding for the year is largely secured, and any shortfall can be mitigated by adjustments in discretionary or project spending or using existing reserves. Additional revenue developments (outside the basic funding from the province Gelderland) are largely dependent on the ability to engage partners on new projects and execute projects that have started in 2022. The team is expected to remain at approximately the same size as at the end of 2022.

In addition, new communities in Food & Health and Circular Agrifood Foodvalley are looking for ways to engage partners and increase our partner base to create real movement together, for the benefit of an inclusive and balanced food system.

We are working hard to build a strong Foodvalley team, with the relevant expertise, connections and talent to continuously improve our propositions. Importantly, synergy between the innovation areas and our ecosystem activities is and will continue to be important to optimise our systemic approach to change with the most impact.

To ensure our continuity for further expansion, our own organisation must be scalable, adaptable but reliable in its core processes: partner journey, continuous learning and funding. The board is satisfied with the developments and eager to use its network and experience to take it one level up. Confidence in the team is high. They have shown that they can continue to do their job even in turbulent times. The turbulence is not over yet, but the organisation is ready to face it head on.

Wageningen, 23 June 2023,

Stichting Food Valley;

M.A.J Brasz,

L.A.C Buchwaldt

E.J. Schippers

A.J. van Tunen

M. Verkerk

M. Hulshof

Y. Rooijaakkers

S. Tascioglu

P. Drenth

Balance sheet as of 31 December 2022

ASSETS	<u>31-12-2022</u>	<u>31-12-2021</u>
Fixed assets		
<u>Tangible fixed assets</u>	14,804	18,561
Current assets		
<u>Receivables</u>		
Accounts receivable	12,223	1,703
Subsidies to be received	950,841	326,885
Taxation and social security contributions	2,779	0
Other receivables and accrued income	<u>4,165</u>	<u>8,639</u>
	970,008	337,227
<u>Liquid assets</u>	1,413,026	2,219,774
Total assets	<u><u>2,397,838</u></u>	<u><u>2,575,562</u></u>
<hr/>		
CAPITAL AND LIABILITIES	<u>31-12-2022</u>	<u>31-12-2021</u>
Equity capital (after result appropriation)		
Appropriated reserves	300,000	300,000
Destination Funds	600,654	720,074
Other reserves	<u>955,432</u>	<u>795,697</u>
	1,856,086	1,815,771
Short-term debts		
Accounts payable	300,068	522,260
Taxation and social security contributions	79,795	73,670
Other payables and accrued liabilities	<u>160,997</u>	<u>163,861</u>
	541,752	759,791
Total liabilities	<u><u>2,397,838</u></u>	<u><u>2,575,562</u></u>

Income and expenditure statement for 2022

	2022	2021
<u>Income</u>		
AF2030 (SGEI)	3,999,411	4,442,872
Other subsidy projects	229,872	192,058
Food Valley own organisation	414,743	331,346
Result of completed subsidy projects	0	-4
Total income	4,644,026	4,966,272
<u>Expenditure</u>		
AF2030 (SGEI)	4,038,526	4,442,873
Other subsidy projects	331,909	192,060
Food Valley own organisation	113,856	289,844
Total expenditure	4,484,291	4,924,777
Result	159,735	41,495
<u>Result appropriation</u>		
Release of destination fund equalisation reserve	(105,502)	0
Addition of other reserve	213,968	41,495
<i>Movement in other reserve</i>	<i>159,735</i>	<i>41,495</i>

Principles of valuation for the balance sheet as of 31 December 2022 and the income and expenditure statement for 2022

General

The amounts in the annual accounts are denominated in euros and have been rounded off to whole amounts.

The figures included for comparison purposes have been adjusted where necessary.

The foundation has prepared the annual accounts in accordance with Guideline C1 'small non-profit organisations'.

Principles for the preparation of the annual accounts

General

The principles have remained unchanged with respect to last year.

Tangible fixed assets

Tangible fixed assets have been valued at acquisition price less depreciation and any subsidies and/or contributions received.

Receivables

Accounts receivable

The accounts receivable have been stated at nominal value. Provisions for possibly bad debts are deducted from the valuation on the basis of individual assessment.

Subsidies received in advance

These are subsidies received for which performance is still required in future reporting years, and project costs incurred for which subsidies already committed will be received in the future. Subsidies received in advance are stated at the direct costs spent as of the balance sheet date plus allocated staff costs and general costs and less advances claimed and provisions deemed necessary. With effect from the 2022 financial year, these subsidies received in advance are accounted for as an appropriated fund. The comparative figures have also been adjusted accordingly.

Destination Funds

Designated funds are amounts for which a third party has imposed a restriction on spending or for which the foundation itself expressly commits itself to third parties.

Other

The other assets and liabilities have been stated at nominal value.

Determination of result

General

The result is determined as the difference between the net turnover and the costs thereof over the reporting

year, with due observance of the principles of valuation mentioned above. Profits are reported in the year in which the goods were delivered or the services were performed. Losses are reported in the year in which they are foreseeable.

Income

Income is understood to be the proceeds of the goods delivered and services performed in the reporting year, after deduction of discounts and taxes levied on the turnover.

Revenues from services are recognised in proportion to the degree to which the services have been performed. The cost of these services is allocated to the same period.

Expenditure

The costs are allocated to the reporting year to which they pertain.

Employee benefits

Wages, salaries, and social security costs are recognised in the profit and loss account on the basis of the terms of employment, insofar as they are owed to employees.

Pension costs

The pension plans in effect for the staff are financed by payments to the pension administrator. The premium payable is recognised as an expense in the profit and loss account.

Staff

In 2022, the foundation employed 20 people (2021: 17) (in full-time equivalents).
At the end of 2022, 21 persons were in paid employment (at the end of 2021: 24).

Depreciation

Depreciation of tangible fixed assets is calculated using a fixed percentage of the acquisition price on the basis of the estimated useful life, taking into account any residual value.

Financial income and expenses

The financial income and expenses concern the interest income and expenses related to the reporting period in relation to loans and balances issued and received.

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Notes on the balance sheet as of 31 December 2022

ASSETS

Fixed assets

Tangible fixed assets

The movements in tangible fixed assets are summarised in the following overviews:

	<u>Acquisition value</u>	<u>Accumulated depreciation</u>	<u>Book value 31-12-2022</u>	<u>Book value 31-12-2021</u>
Furniture and equipment and computers	41,797	26,993	14,804	18,561
	<u>41,797</u>	<u>26,993</u>	<u>14,804</u>	<u>18,561</u>

The investments/disposals in the reporting year can be specified as follows:

	<u>Invest.</u>	<u>Disposals</u>
Furniture and equipment and computers	7,147	0
	<u>7,147</u>	<u>0</u>

The depreciation rate is 33.33%.

	<u>31-12-2022</u>	<u>31-12-2021</u>
<i>Current assets</i>		

Receivables

The receivables all have a term of less than one year.

Accounts receivable

Accounts receivable balance	27,687	3,372
Less: provision for possibly bad debts	<u>15,464</u>	<u>1,669</u>
	<u>12,223</u>	<u>1,703</u>

	<u>31-12-2022</u>	<u>31-12-2021</u>
<u>Subsidies to be received</u>		
Subsidies to be received	950,841	326,885
<i>For the specification of these, see appendix A.</i>		
	<u>950,841</u>	<u>326,885</u>

A subsidy decision is recorded as a receivable against an obligation of equal size. The subsidies to be received are the remainder of the total receivable less the funds already received.

Other receivables and accrued income

Other	4,165	8,639
	<u>4,165</u>	<u>8,639</u>

Liquid assets

The liquid assets are freely available.

Rabobank (including €29,500 blocked portion, see Off-balance sheet recorded liabilities)	1,413,026	2,219,774
	<u>1,413,026</u>	<u>2,219,774</u>

<u>2022</u>	<u>2021</u>
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CAPITAL AND LIABILITIES

Equity capital

Appropriated reserves

Reservation for risks

The appropriated reserve 'reservation for risks' is a reservation for losses, including those resulting from costs not eligible for subsidy.

balance at beginning of financial year	300,000	300,000
from result appropriation		0
balance at end of financial year	<u>300,000</u>	<u>300,000</u>

Reservation for projects

The appropriated reserve 'reservation for projects' is a general reservation for projects which will be carried out at the organisation's own expense.

balance at beginning of financial year	0	0
from result appropriation	0	0
balance at end of financial year	<u>0</u>	<u>0</u>

Total appropriated reserves	<u>300,000</u>	<u>300,000</u>
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	<u>31-12-2022</u>	<u>31-12-2021</u>
<u>Destination Funds</u>		
SGEI	110,992	272,780
Equalisation reserve	0	105,502
Protein Cluster	4,551	4,695
Go Fresh	202,760	235,625
AURORA	48,405	0
Global Foodture	72,627	84,645
PPP Future	11,047	11,047
P2P Bio Fio	0	5.780
Like a pro	150,272	0
Balance at end of financial year	<u>600,654</u>	<u>720,074</u>

For the specification of these, see appendix A.

A subsidy decision is recorded as a receivable against an obligation of equal size. The subsidy obligations are the remainder of the total obligations less the costs already incurred. The amount of the obligation is higher than the amount to be claimed, which corresponds to the positive bank balance: more must be spent than is received.

Other reserves

Balance at beginning of financial year	795,697	754,202
From proposed result appropriation	159,735	41,495
Balance at end of financial year	<u>955,432</u>	<u>795,697</u>

Short-term debts

Accounts payable

Accounts payable balance	<u>300,068</u>	<u>522,260</u>
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Taxation, social security costs and pensions

Turnover tax	0	-611
Tax on wages	52,484	47,027
Pension premiums	27,311	27,254
	<u>79,795</u>	<u>73,670</u>

Other payables and accrued liabilities

Audit fees	13,400	13,400
Holiday allowance and days off	129,884	117,917
Costs of chair	0	10,050
Absenteeism insurance (supplement)	0	12,500
Other	7,006	9,994
	<u>150,290</u>	<u>163,861</u>

Off-balance sheet liabilities

Rental obligation (including bank guarantee)

In relation to a rental agreement, whereby office space is leased until 30 June 2027, long-term financial obligations have been entered into up to an annual amount of €113,983 including VAT compensation and service costs of €65,437.

The rental obligation is automatically renewed for 5 years, unless notice is given 12 months prior to the end of the agreement.

A bank guarantee of €29,500 has been issued in favour of the lessor.

Notes on the income and expenditure statement for 2022

Differences between income and expenses in one year for multi-year subsidy projects are realigned in the result via the item Subsidies received in advance, so that income and expenses of these projects are equal to each other.

	2022	2021
Income		
<u>AF2030 (SGEI)</u>		
Subsidy from the Province of Gelderland	3,840,000	3,840,000
Subsidy received in advance (<i>relates to part not used and is carried forward to 2022/2021</i>)	0	-285,994
Subsidy received in advance from previous years, used in financial year	159,411	888,866
	<u>3,999,411</u>	<u>4,442,872</u>
<u>Other subsidy projects</u>		
<u>TPC</u>		
Subsidies from provinces	113,500	75,000
Contribution from provinces	0	4,000
Contribution from companies	4,985	60,948
Subsidy received in advance (<i>difference between receipts and expenditure</i>)	0	6,823
	<u>118,485</u>	<u>146,771</u>
<u>CO-FRESH</u>		
EU subsidy	0	0
Subsidy received in advance (<i>difference between receipts and expenditure</i>)	56,544	37,513
	<u>56,544</u>	<u>37,513</u>
<u>PPP Future sensors</u>		
EU subsidy	0	0
Subsidy received in advance (<i>difference between receipts and expenditure</i>)	0	953
	<u>0</u>	<u>953</u>
<u>Global FOODture</u>		
EU subsidy	0	43,624
Subsidy received in advance (<i>difference between receipts and expenditure</i>)	0	-41,022
	<u>0</u>	<u>2,602</u>
<u>P2P Fin Bio</u>		
EU subsidy	0	7,500
Subsidy received in advance (<i>difference between receipts and expenditure</i>)	0	-3,281
	<u>0</u>	<u>4,219</u>
<u>Like a pro</u>		
EU subsidy	156,710	0
Subsidy received in advance (<i>difference between receipts and expenditure</i>)	150,272	0
	<u>6,438</u>	<u>0</u>

Aurora

EU subsidy	65,730	0
Subsidy received in advance (<i>difference between receipts and expenditure</i>)	17,325	0
	<u>48,405</u>	<u>0</u>
<i>Total subsidy projects</i>	<u><u>229,872</u></u>	<u><u>192,058</u></u>
<u>Food Valley own organisation</u>		
Food Valley partners	328,431	278,671
Other income from contracts	86,312	52,675
	<u>414,743</u>	<u>331,346</u>
<u>Result of completed subsidy projects</u>		
MARCOM	0	-4
	<u>0</u>	<u>-4</u>
<u>Interest income</u>		
Banks	0	0
	<u>0</u>	<u>0</u>

	<u>2022</u>	<u>2021</u>
Expenditure		
AF2030 (SGEI)		
Organisation	899,252	437,542
Deployment of staff	1,715,126	1,270,055
Hiring of staff	346,012	366,141
Project costs FV2030 *	1,078,136	1,480,270
Transferred from 2020 **	0	888,865
	<u>4,038,526</u>	<u>4,442,873</u>
* Project costs FV2030		
Startlife	275,000	260,000
Hiring of Food Valley Facilities	175,229	175,000
Scale up Food	188,000	200,000
TPC	32,880	0
1. Innovation development		
1.1 Protein Shift	40,326	25,194
1.2 Food & Health	10,160	75,252
1.3 Circular Agrifood	6,385	18,241
2. Innovation Support		
2.1 Entrepreneurship	436	39,180
2.3 Global Connections	3,630	5,199
2.4 Talent	0	37,973
3. Other		
3.1 Marketing & communication	213,123	349,430
3.2 Foodleap	117,319	165,387
3.3 Strategy	20	76,072
3.4 Member	0	48,926
3.5 Insights	4,287	4,416
3.6 Other	11,341	0
	<u>1,078,136</u>	<u>1,480,270</u>
** Transfer from 2020		
Organisation	0	18,700
Deployment of staff	0	33,895
Hiring of staff	0	63,649
Food Switch	0	107,535
WEF	0	297,881
Positioning	0	367,205
	<u>0</u>	<u>888,865</u>

Costs of relocation, circular design and setup, positioning are seen as an activity in 2020 and therefore recognised as expenses.

	<u>2022</u>	<u>2021</u>
<u>Other subsidy projects</u>		
TPC		
Organisation	64,359	28,242
Deployment of staff	107,451	41,653
Hiring of staff	23,945	65,195
Other costs	42,100	11,681
	<u>237,855</u>	<u>146,771</u>
CO-FRESH		
Organisation	0	3,096
Deployment of staff	18,954	15,478
Hiring of staff	0	14,734
Other costs	13,911	4,206
	<u>32,865</u>	<u>37,514</u>
PPP Future sensors		
Deployment of staff	0	953
	<u>0</u>	<u>953</u>
Global FOODture		
Deployment of staff	21,536	2,602
	<u>21,536</u>	<u>2,602</u>
P2P Fin Bio		
Deployment of staff	14,497	3,156
Other costs	1,393	1,064
	<u>15,890</u>	<u>4,220</u>
Like a pro		
Deployment of staff	6,438	0
Other costs	0	0
	<u>6,438</u>	<u>0</u>
Aurora		
Deployment of staff	17,325	0
Other costs	0	0
	<u>17,325</u>	<u>0</u>
<i>Total subsidy projects</i>	<u><u>331,909</u></u>	<u><u>192,060</u></u>

	<u>2022</u>	<u>2021</u>
<u>Food Valley own organisation</u>		
Deployment of staff, see specification *	146,540	136,183
Organisation, see specification *	72,818	148,129
Other costs	-105,502	5,532
	<u>113,856</u>	<u>289,844</u>
<u>* Deployment of staff and organisation</u>		
Gross salary including holiday allowance	1,549,912	1,191,459
Social security costs	206,119	179,085
Pension premium	262,435	199,282
Reimbursement of expenses	30,165	15,209
	<u>2,048,631</u>	<u>1,585,035</u>
Payment of sick pay	-21,433	-72,165
Pension costs in previous years	0	6,763
Movement in reserve for days off	20,669	25,204
	<u>2,047,867</u>	<u>1,544,837</u>
- attributable to projects	-1,838,544	-1,367,792
- not eligible for subsidy	-62,783	-40,862
	<u>146,540</u>	<u>136,183</u>
Costs of chair	40,200	40,200
(Staff) costs not eligible for subsidy	62,783	40,862
Other staff costs	507,537	100,071
Housing	154,070	136,158
Relocation, circular design and setup, positioning	0	78,734
2020 costs not eligible for subsidy	0	44,076
Depreciation costs	10,904	10,282
ICT	107,578	107,162
Audit and administration costs	38,118	35,942
Consultancy costs	82,706	37,994
Travel expenses	6,270	2,728
Office costs	2,979	1,046
General costs	23,284	454
	<u>1,036,429</u>	<u>635,709</u>
- attributable to projects	-963,611	-487,580
	<u>72,818</u>	<u>148,129</u>

Wageningen, 23 June 2023,

Stichting Food Valley;

M.A.J Brasz,

L.A.C Buchwaldt

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S. Tascioglu

P. Drenth

INDEPENDENT AUDITOR'S REPORT

To: The Board of Stichting Food Valley in Wageningen

A. Report on the audit of the financial statements 2022 included in the annual report

Our opinion

We have audited the financial statements 2022 of Stichting Food Valley based in Wageningen.

In our opinion, the accompanying foundation financial statements give a true and fair view of the financial position of Stichting Food Valley as at 31 December 2022 and of its result for 2022 in accordance with RJK C1 Kleine organisaties-zonder-winststreven (Guideline C1 'small non-profit organisations' of the Dutch Accounting Standards Board) and pursuant to the requirements of the Wet normering topinkomens (WNT, Act on limiting the remuneration of senior officials in the public and semi public sector).

The financial statements comprise:

1. the balance sheet as at 31 December 2022;
2. the profit and loss account for 2022; and
3. the notes comprising of a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing and the audit instructions of the 'Standards for Remuneration Act' 2022. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Stichting Food Valley in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We haven't audited the anti-cumulation provision of article 1.6a of the Public and Semi-Public Sector Senior Officials (Standard Remuneration) Act (WNT) and article 5 lid 1(j) implementing regulation Public and Semi-Public Sector Senior Officials (Standard Remuneration) Act (WNT).

In accordance with the Standards for Remuneration Act 2022, we have not performed any audit procedures on data in the Remuneration Act statement, or the lack thereof, based on the anti-cumulation provision of Article 1.6a of the Public and Semi-Public Sector Senior Officials (Standard Remuneration) Act (WNT) and Article 5, paragraph 1, part j of the implementing regulation Public and Semi-Public Sector Senior Officials (Standard Remuneration) Act (WNT).

This means that we have not audited whether or not a senior official has exceeded the standard due to possible employment as a senior official at other institutions subject to the Remuneration Act, or whether the explanation required in this context is correct and complete.

B. Report on the other information included in the annual report

The annual report contains other information, in addition to the financial statements and our auditor's report thereon.

- The board report;
- Other information.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains all the information regarding the management report and the other information as required by Guideline C1 'small non-profit organisations'.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of the Guideline C1 'small non-profit organisations' and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, including the management report in accordance with Guideline C1 'small non-profit organisations' and the Public and Semi-Public Sector Senior Officials (Standard Remuneration) Act (WNT) and other information as required by Guideline C1 'small non-profit organisations' and the the Public and Semi-Public Sector Senior Officials (Standard Remuneration) Act (WNT) and other information as required.

C. Description of responsibilities regarding the financial statements

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Guideline C1 'small non-profit organisations' and pursuant to the Public and Semi-Public Sector Senior Officials (Standard Remuneration) Act (WNT). Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting, unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the foundation's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Nijmegen, June 23, 2023

Konings Maters Accountants en Adviseurs

Signed by:

drs. Arabi RA

Provisions from the articles of association

In accordance with Article 13 of the Articles of Association, the following is provided:

- Paragraph 2: The board is obliged to keep records of the financial position of the foundation and of everything concerning the activities of the foundation, in accordance with the requirements arising from the activities, and to keep the books, documents and other data carriers in such a way that the interests and obligations of the foundation can be known at all times.

- Paragraph 3: The board is obliged to prepare and put in writing the foundation's balance sheet and income and expenditure statement, together with explanatory notes, every year within six months of the end of the financial year. These documents are hereinafter referred to collectively as: The 'Annual Report and Accounts'
- Paragraph 4: Before adopting the annual report and accounts, the board may have them examined by an expert to be appointed by the board. The latter shall then report on his investigation to the board.

- Paragraph 5: The annual report and accounts will be adopted by the board and signed by all members of the board as evidence thereof. If a signature is missing, the reason shall be stated on the document concerned.

- Paragraph 6: After the proposal to adopt the annual report and accounts has been dealt with, the proposal to grant discharge to the members of the board shall be made.

A: Subsidies: overview of movements in the financial year

RECEIVABLES						
	<u>Receivable</u> as of 01/01	<u>Decision</u>	<u>Received</u>	<u>Adjustments</u>	<u>Result</u>	<u>Receivable</u> as of 31/12
SUBSIDY PROJECTS	-	-	-	-	-	-
-	-					-
SGEI to end 2020						
Gelderland-Activities	0	3,840,000	3,072,000			768,000
Equalisation reserve SGEI	0		0			0
MARCOM Region	0		0			0
Protein Cluster to 30/09/2022						
Province of Gelderland	50,000		20,000			30,000
Province of Overijssel	20,000		20,000			0
Province of Noord-Brabant	20,000		20,000			0
Province of Flevoland	10,000		10,000			0
Province of Groningen	25,000		15,000			10,000
Province of Noord Holland	0		0			0
CO-FRESH						
EU	143,762		56,544			87,218
AURORA	0	65,730	65,730			0
Global FOODture						
EU	43,623		0			43,623
PPP Furture						
EU	12,000		0			12,000
P2P Bio Fio						
EU	2,500		2,500			0
Like a pro						
EU	0	156,710	156,710			0
	326,885	4,062,440	3,438,484	0	0	950,841

OBLIGATIONS								
	Obligation as of 01/01	Issued/spent			Co-funding	Adjustments	Result	Obligation as of 31/12
		Decision	Third-party costs	Labour costs and overhead	Contributions by third parties			
SUBSIDY PROJECTS	-	-	-	-	-	-	-	-
SGEI to end 2020	-	-	-	-	-	-	-	-
Gelderland-Activities	272,780	3,840,000	1,424,149	2,614,378		36,739		110,992
Equalisation reserve SGEI	105,502					-105,502		0
MARCUM Region	0							
Protein Cluster to 30/09/2022	4,695					-144		4,551
CO-FRESH								
EU	235,625		13,911	18,954				202,760
AURORA	0	65,730	0	17,325				48,405
GLOBAL FOODture	84,645			12,018				72,627
PPP Eurture								
EU	11,047							11,047
P2P Bio Ejo. Like a pro								
EU	5,780			5,780				0
	0	156,710		6,438				150,272
	720,074	3,996,710	1,438,060	2,674,493		-68,907		600,654

B: WNT accountability 2022 Food Valley Foundation

The Senior Executives in the Public and Semi-Public Sector (Standards for Remuneration) Act (WNT) took effect on 1 January 2013. The WNT applies to the Food Valley Foundation. The applicable remuneration cap for the Food Valley Foundation in 2022 with regard to M. Brasz (Director, General Remuneration Cap) and E.I. Schippers (Director, General Remuneration Cap) was €216,000 (2021: €209,000).

1. Remuneration of executives

1a. Managing senior executives, former senior executives with employment contract and senior executives without employment contract from the 13th month of job performance and without employment contract for less than 13 months:

amounts x €1	M. Brasz	E.I. Schippers
Job details	director	board member
Start and end of job performance in 2022	01/01 – 31/12	01/01 – 31/12
Part-time factor in full-time equivalent	0.90	0.20
Former senior executive?	yes	yes
(Notional) employment relationship?	yes	no
Remuneration		
Pay plus taxable expense reimbursements	142,560	40,200
Remuneration payable in the future	22,502	N/A
<i>Subtotal</i>	<i>165,062</i>	<i>40,200</i>
Individually applicable remuneration cap	194,400	43,200
Reduction due to transitional regulation	N/A	N/A
Individually applicable remuneration cap including reduction	194,400	43,200
-/- Unduly paid amount	N/A	N/A
Total remuneration	165,062	40,200
Reason why excess payments are/are not allowed	N/A	N/A