

STICHTING EUPATI FOUNDATION

Annual Report 2020/2021
June 29, 2022

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FINANCIAL REPORT

To the management of
STICHTING EUPATI FOUNDATION
Daltonlaan 600
3584BK Utrecht
Netherlands

<i>Reference</i>	<i>Processed by</i>	<i>Date</i>
<31.12.01>	R.B.	June 29, 2022

Subject

Annual report

Dear board,

We hereby send you the report regarding the financial statements for the year 2020/2021 of the foundation.

1 ENGAGEMENT

In accordance with your instructions we have compiled the annual account, as of December 31, 2021 of the foundation, including the balance sheet with counts of €772,312 and the profit and loss account with a result of €157,057.

For the auditors opinion we refer to the chapter “Other information” on page 19 of this report.

2 FINANCIAL POSITION

The balance sheet can be summarized as follows:

	12/31/2021
	€
Long term funds:	
Corporate capital	702,088
Long term investments:	
Tangible fixed assets	2,326
Working capital	<u>699,762</u>

This amount is applied as follows:

Receivables, prepayments and accrued income	143,815
Cash and cash equivalents	<u>626,171</u>
	769,986
Debit: Short-term debt	70,224
Working capital	<u><u>699,762</u></u>

We will gladly provide further explanations upon request.

Sincerely yours,
Bacom administratie en advies

Management report

Introduction

The European Patients' Academy on Therapeutic Innovation (EUPATI) is a patient-led multi-stakeholder public-private partnership originally launched by the Innovative Medicines Initiative (IMI) and today established as an independent non-profit Foundation. EUPATI partnership consists of patient organisations, academic institutions and pharmaceutical companies from Europe and all over the world.

EUPATI's vision is to improve health outcomes through the contribution from patients and patient representatives as valued stakeholders in the research and development of medicines and healthcare technologies. It does this by providing accessible, innovative and inclusive education that empowers patients and patient representatives with the right knowledge, skills and competencies to effectively engage and partner with all other stakeholders.

EUPATI is today, via its Open Classroom, the global leading platform for patient education. It has trained more than 200 Patient Experts (EUPATI Fellows), and with more than 360 currently enrolled on the platform. In addition, 170 Fellows have graduated from the national EUPATI trainings in Ireland, Italy and the Netherlands. EUPATI is active in 23 countries through its National Platforms, and also provides an open-access multilingual Toolbox that has served more than 5 million users in 13 languages around the world to date. In order to enhance patient engagement, EUPATI also provides general trainings about patient involvement in medicines R&D for professionals working in academia and the pharmaceutical industry. To date, more than 500 individuals have participated in these trainings. A new activity launching soon, 'EUPATIconnect', will also facilitate the collaboration between trained patients and other stakeholders.

EUPATI is committed to offering educational materials and information for patients, patient representatives and the wider public free of charge. This is made possible by financing in form of cash contributions from industry partners and in-kind contributions from public partners, grants (e.g. IMI, European Commission, EIT Health), donations and fee-based trainings & services around patient engagement. EUPATI Foundation functions as a non-profit organisation and all generated income is re-invested in patient education.

Findings

This report reflects summarizes the first financial year of the EUPATI Foundation and the establishment of its activity as an independent entity. The initial budget was defined on the basis of previous activity, hosted by the European Patients' Forum (2017-2020) and the best estimates available at the time.

The variances between the estimated versus actual costs can be understood in the light of the following elements:

- J Personnel cost – The Foundation's staff and consultancy team was being built up during this period, and several new recruitments were completed. There were also changes in the team due to one termination and one parental leave. Several part-time roles were extended in scope due to increased workload and EUPATI's increased activity in key areas. The required policies and procedures for human resources management were developed and implemented. Payroll was established in four countries (Netherlands, Belgium, France and Ireland) and plans were made for three more countries, according to the Foundation's long-term goal to build sustainable team structure based on permanent employment contracts.
- J Operational cost/Governance – The cost for honoraria for members of different Committees as part of the Governance structure was adapted to the developments in this area, as the structure was further redefined and fully implemented. The procedures put in place had also an impact on insurance and legal fees, as the different governance bodies established their roles.
- J Operational cost/IT and translations – The cost for IT systems evolved according to the needs of the growing activity and the secretariat team. Translations were object to internal evaluation.
- J Training costs - The cost for trainer fees were adjusted to the growing demand for patient engagement trainings.
- J Content development costs – The cost for honoraria for content development was adjusted in line with an adjusted workplan for this activity.
- J Travel costs – Due to COVID-19, the cost for in-person meetings and events was restricted.

STICHTING EUPATI FOUNDATION, Utrecht

Utrecht, June 29, 2022

Stichting Eupati Foundation
On behalf of,

H.M. Duterte

FINANCIAL STATEMENTS

Balance sheet as at December 31, 2021

Profit & loss account from 2020/2021

Notes to the Statements

Notes to the balance sheet as of December 31, 2021

Notes to the profit & loss account from 2020/2021

STICHTING EUPATI FOUNDATION, Utrecht

1 BALANCE AS AT DECEMBER 31, 2021
(before appropriation of results)

	December 31, 2021	
	€	€
ASSETS		
Fixed assets		
Tangible fixed assets	(1)	2,326
Current assets		
Receivables, prepayments and accrued income	(2)	143,815
Cash and cash equivalents	(3)	626,171
TOTAL OF ASSETS		<u>772,312</u>
EQUITY AND LIABILITIES		
Equity		
Cumulative Appropriated reserve for Stichting Eupati Foundation	(4)	637,088
Reserves for special purposes		<u>65,000</u>
		702,088
Current liabilities	(5)	70,224
TOTAL OF EQUITY AND LIABILITIES		<u>772,312</u>

2 INCOME AND EXPENSE ACCOUNT 2020/2021

	2020/2021	Budget 2020/2021
	€	€
Income	(6) 813,862	766,740
Cost trainers	(7) 33,870	28,800
	<u>779,992</u>	<u>737,940</u>
Expenses		
Employee expenses	(8) 482,013	522,162
Amortisation and depreciation	244	-
Other operating expenses	(9) 138,480	170,685
	<u>620,737</u>	<u>692,847</u>
Operating result	159,255	45,093
Financial income and expenses	(10) -2,198	-5,400
	<u>-</u>	<u>-</u>
Result	<u><u>157,057</u></u>	<u><u>39,693</u></u>

3 NOTES TO THE FINANCIAL STATEMENTS

GENERAL

Activities

The Foundation bears the name "Stichting EUPATI Foundation". It is a Foundation under Dutch civil law, registered in Amsterdam, and has legal capacity. The Foundation's nature is of public interest and not-for-profit. The Foundation develops and offers education and training for patients and other stakeholders in healthcare in order to enable meaningful Patient Engagement in therapeutic innovation.

Registered office, legal form and registration number at the chamber of commerce

The registered and actual address of STICHTING EUPATI FOUNDATION is Daltonlaan 600, 3584 BK in Utrecht of the company and is registered at the chamber of commerce under number 80029019.

Reporting period different than annual

The Stichting Eupati Foundation's extended first book year is from August 11, 2020 until December 31, 2021.

GENERAL ACCOUNTING PRINCIPLES FOR THE PREPARATION OF THE ANNUAL ACCOUNTS

The financial statements are drawn up in accordance with Title 9, Book 2, of the Dutch Civil Code and Dutch Accounting Standards applicable to non-profit small organizations. (RJkc1)

Assets and liabilities are generally valued at historical cost, production cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost. In the balance sheet, income statement and the cash flow statement, references are made to the notes.

Income and expenses are allocated to the year to which they relate. Profits are only included insofar as they have been realized on the balance sheet date. Liabilities and possible losses that originate before the end of the reporting year are taken into account if they have become known before the preparation of the annual accounts.

ACCOUNTING PRINCIPLES APPLIED TO THE VALUATION OF ASSETS AND LIABILITIES

Tangible fixed assets

The depreciation on tangible fixed asset is calculated by using a fixed rate on the acquisition cost based on the expected life cycle.

Depreciation rates

Asset	%
Equipment	20

Cash and cash equivalents

The cash is valued at face value. If cash equivalents are not freely disposable, then this has been taken into account in the valuation.

Current liabilities

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. This is usually the nominal value.

ACCOUNTING PRINCIPLES FOR THE DETERMINATION OF THE RESULT

General

The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

Income

The sustainability plan for EUPATI is based on a mixed business model with different interconnected funding streams serving to sustain the core EUPATI activities (EUPATI Patient Expert Training Programme, EUPATI Toolbox and the network of EUPATI National Platforms) and enabling a widening of EUPATI's scope.

The five pillars of the model are: Fee-for-service training to all stakeholder groups, modules, member contributions, grants/projects, fundraising and matchmaking.

Expenses general

Costs are determined on a historical basis and are attributed to the reporting year to which they relate.

Amortisation and depreciation

The depreciation on tangible fixed assets is calculated by using a fixed rate on the acquisition cost based on the expected life cycle. Gains and losses from the occasional sale of property, plant or equipment are included in depreciation.

Gains and losses from the occasional sale of property, plant or equipment are included in depreciation.

Financial income and expenses

Interest income and interest expenses

Interest income and expenses are recognised on a pro rata basis, taking account of the effective interest rate of the assets and liabilities to which they relate. In accounting for interest expenses, the recognised transaction expenses for loans received are taken into consideration.

4 NOTES TO THE BALANCE SHEET AS AT DECEMBER 31, 2021

ASSETS

FIXED ASSETS

1. Tangible fixed assets

	Equipment
	€
Carrying amount as of August 11, 2020	-
Investments	2,570
Depreciation	-244
Carrying amount as of December 31, 2021	<u>2,326</u>
Purchase price	2,570
Cumulative depreciation and impairment	-244
Carrying amount as of December 31, 2021	<u>2,326</u>
<i>Depreciation rates</i>	%
Equipment	20

CURRENT ASSETS

	12/31/2021
	€
2. Receivables, prepayments and accrued income	
Trade receivables	56,315
Other receivables, deferred assets	87,500
	<u>143,815</u>
Trade receivables	
Trade debtors	<u>56,315</u>

STICHTING EUPATI FOUNDATION, Utrecht

	<u>12/31/2021</u>
	€
Other receivables	
EIT Health Eupati reload 2020 and 2021	<u>87,500</u>
3. Cash and cash equivalents	
ING Bank N.V.	<u>626,171</u>

EQUITY AND LIABILITIES

4. Equity

Cumulative Appropriated reserve for Stichting Eupati Foundation

Carrying amount as of August 11	-
Result book year	92,057
Paid-up capital	545,031
	<hr/>
Carrying amount as of December 31	637,088
	<hr/> <hr/>

Appropriated reserves strategy:

Therefore in order to guarantee its liabilities towards its employees in compliance with Dutch law, the Executive Board recommends a restrictive use of the cumulative appropriated reserve for the costs inherent to the closure of the EUPATI Foundation offices (office costs and employees settlement).

Reserves for special purposes

Carrying amount as of August 11	-
10 year anniversary event	60,000
Medical Writer Services for Training content	5,000
	<hr/>
Carrying amount as of December 31	65,000
	<hr/> <hr/>

12/31/2021

€

5. Current liabilities

Trade creditors	6,398
Taxes and social securities	22,783
Other liabilities	17,298
Accruals	23,745
	<hr/>
	70,224
	<hr/> <hr/>

Taxes and social securities

VAT	256
Pay-roll tax	6,713
Social securities	13,482
Pension premiums	2,332
	<hr/>
	22,783
	<hr/> <hr/>

STICHTING EUPATI FOUNDATION, Utrecht

	12/31/2021
	€
Other liabilities and accruals	
Other liabilities	17,298
Accruals	23,745
	<u>41,043</u>
Other liabilities	
Reservation vacation allowance and days	<u>17,298</u>
Accruals	
Matchmaking tool development	10,500
IT coordinator	6,500
Patient engagement training coordinator	5,145
Trainer fees	1,600
	<u>23,745</u>

5 NOTES TO THE INCOME AND EXPENSE ACCOUNT 2020-2021

	2020/2021	Budget 2020/2021
	€	€
6. Income		
Members contributions	477,023	480,000
Training in patient engagement	200,738	189,666
Patient engagement open forum project	24,288	26,826
Other donations	21,977	20,248
HTAi-funded patient engagement	2,336	-
EIT Health EUPATI reload project	87,500	50,000
	<u>813,862</u>	<u>766,740</u>
7. Cost trainers		
Costs trainers in patient engagement and education	<u>33,870</u>	<u>28,800</u>
8. Employee expenses		
Wages and salaries	420,277	449,862
Social security charges	39,791	49,700
Pension costs	19,696	22,600
Other personnel costs	2,249	-
	<u>482,013</u>	<u>522,162</u>
<i>Wages and salaries</i>		
Gross wages	267,576	301,235
In house consultant costs	144,101	148,627
Reservation holiday days	8,600	-
	<u>420,277</u>	<u>449,862</u>
<i>Social security charges</i>		
Social security charges	<u>39,791</u>	<u>49,700</u>
<i>Pension costs</i>		
Pension costs	<u>19,696</u>	<u>22,600</u>
<i>Other personnel costs</i>		
Travelling expenses	252	-
Other personnel costs	1,997	-
	<u>2,249</u>	<u>-</u>

Staff

At company during 2020/2021, 6 FTE were employed.

STICHTING EUPATI FOUNDATION, Utrecht

	2020/2021	Budget 2020/2021
	€	€
<i>Depreciation of tangible fixed assets</i>		
Equipment	244	-
	<u>244</u>	<u>-</u>
9. Other operating expenses		
Operating costs	30,649	43,590
Facilities	22,742	34,526
Marketing, meeting and travel costs	13,019	17,000
General expenses	72,070	75,569
	<u>138,480</u>	<u>170,685</u>
<i>Operating costs</i>		
Experts content development costs	9,649	19,950
Matchmaking platform development costs	21,000	23,640
	<u>30,649</u>	<u>43,590</u>
<i>Facilities</i>		
IT costs	12,876	20,473
Telephone	933	1,000
Postage	19	-
Printing, translation costs	2,083	6,000
Website	6,785	7,053
Office supplies	46	-
	<u>22,742</u>	<u>34,526</u>
<i>Marketing, meeting and travel costs</i>		
Publicity and advertisement	2,250	2,000
Representation costs	4,453	-
Travel and meeting costs	6,316	15,000
	<u>13,019</u>	<u>17,000</u>

STICHTING EUPATI FOUNDATION, Utrecht

	2020/2021	Budget 2020/2021
	€	€
<i>General expenses</i>		
Administration costs	28,408	28,239
Payroll costs	38,828	40,820
Legal charges	1,645	2,500
Insurance	2,105	3,335
Other general expenses	1,084	675
	<u>72,070</u>	<u>75,569</u>
10. Financial income and expenses		
Interest and similar expenses	<u>-2,198</u>	<u>-5,400</u>