



**fair flowers
fair plants**

Annual report 2008

**FFP Foundation
Jupiter 450
Honselersdijk (community Westland)
The Netherlands**

Contents

- 1. Balance sheet per 31 December 2008**
- 2. Income statement for 2008**
- 3. Cash flow statement**
- 4. Principles for financial reporting**
- 5. Notes to the balance sheet per 31 December 2008**
- 6. Notes to the income statement for 2008**

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1. BALANCE SHEET PER 31 DECEMBER 2008 (after result exploitation balance)

ASSETS	31-12-2008		31-12-2007	
	€	€	€	€
FIXED ASSETS				
Tangible fixed assets		4.012		3.548
Financial fixed assets		251.587		109.587
CURRENT ASSETS				
Stocks		27.680		15.735
Receivables				
Debtors	14.618		13.232	
Taxes	11.634		547	
Other receivables	<u>22.158</u>		<u>7.892</u>	
		48.410		21.671
		<u><u>331.689</u></u>		<u><u>150.541</u></u>

EQUITY AND LIABILITIES	31-12-2008		31-12-2007	
	€	€	€	€
FOUNDATION'S EQUITY				
General reserves		624		-27.399
SHORT TERM DEBTS				
Creditors	35.326		-	
Taxes and premiums social charges	6.497		-	
Rabobank	181.149		127.619	
Other liabilities	<u>108.093</u>		<u>50.321</u>	
		331.065		177.940
		<u><u>331.689</u></u>		<u><u>150.541</u></u>

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2. INCOME STATEMENT FOR 2008

	2008		2007	
	€	€	€	€
Revenues				
Revenues licence fees and labels	56.412		17.953	
Grants	156.089		4.202	
Others	<u>20.000</u>		<u>-</u>	
		232.501		22.155
Expenses				
Personnel costs	66.391		15.134	
Depreciation costs	1.076		236	
Other costs	<u>124.997</u>		<u>28.668</u>	
		<u>192.464</u>		<u>44.038</u>
		40.037		-21.883
Interest and bank costs		<u>12.014</u>		<u>2.990</u>
Result from operating activities		<u><u>28.023</u></u>		<u><u>-24.873</u></u>

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3. CASH FLOW STATEMENT 2008

	2008	
	€	€
A. Cash flow from operating activities		
Result from operating activities		28.023
Depreciation costs		1.076
Changes in working capital		
- Stocks	-11.945	
- Receivables	-26.739	
- Short term debts	<u>99.595</u>	
		60.911
B. Cash flow from investing activities		
Investments tangible fixed assets		-1.540
C. Cash flow from financing activities		
Provided loans		<u>-142.000</u>
Decrease in cash		<u><u>-53.530</u></u>
1-1-2008 Short term debt Rabobank		-127.619
Decrease in cash		-53.530
31-12-2008 Short term debt Rabobank		<u><u>-181.149</u></u>

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4. PRINCIPLES FOR FINANCIAL REPORTING

Accounting principles applied to the valuation

The general principle for the valuation of the assets and liabilities, as well as for the determination of the result, is historical cost. Unless stated otherwise, assets and liabilities are stated at nominal value.

Tangible fixed assets

The tangible fixed assets are stated at the purchase value, deducted with depreciations based upon the valued economic life span.

The depreciations are calculated based upon the fixed percentages of purchase value mentioned below:

Computers	3 year	33,33%
Software	4 year	25,00%

Stocks

The stocks of click labels and glue labels are stated at historical costs.

Receivables

The receivables are stated at nominal value, less a provision for possible bad debts.

Accounting principles of result determination

Revenues and expenses are recognised in the year in which they are realised, considering the accounting principles mentioned above.

Other income and expenses are allocated in the period to which they relate.

Accounting principles of cash flow

Budget

The annual report for 2008 does not include budgeted figures. The reason for this is the FFP Foundation being a starting organisation, because of which the budget for 2008 could not yet be estimated in a reliable way. There was too much lack of reference data.

Due to this a budget has not been used as control tool for 2008.

As the Foundation has gained more insight in the meantime, a budget will be added to the annual report of 2009.

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5. NOTES TO THE BALANCE SHEET PER 31 DECEMBER 2008

ASSETS

TANGIBLE FIXED ASSETS

The course of the company resources is as follows:

	<u>2008</u>	<u>2007</u>
	€	€
Balance sheet value per 1 January	3.548	-
Investments	1.540	3.784
Depreciations	<u>-1.076</u>	<u>-236</u>
Balance sheet value per 31 December	<u><u>4.012</u></u>	<u><u>3.548</u></u>
Purchase value	5.324	3.784
Accumulated depreciations	<u>-1.312</u>	<u>-236</u>
Balance sheet value per 31 December	<u><u>4.012</u></u>	<u><u>3.548</u></u>

FINANCIAL FIXED ASSETS

Loan to Union Fleurs

	<u>2008</u>
	€
Balance loan per 1-1-2008	109.587
Loan to UF in 2008	<u>142.000</u>
Balance loan per 31-12-2008	<u><u>251.587</u></u>

Concerns an interest-free loan, provided to Union Fleurs. In January 2009 an amount of € 158.587 has been paid off resulting in a loan balance of € 93.000 per 1-2-2009.

CURRENT ASSETS

STOCKS

	<u>2008</u>	<u>2007</u>
	€	€
Stock of click labels	5.924	3.000
Stock of glue labels	21.756	12.735
	<u>27.680</u>	<u>15.735</u>

RECEIVABLES

	<u>2008</u>	<u>2007</u>
	€	€
Debtors		
Debtors	14.618	13.482
Minus: provision for bad debts	<u>-</u>	<u>-250</u>
	<u><u>14.618</u></u>	<u><u>13.232</u></u>

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5. NOTES TO THE BALANCE SHEET PER 31 DECEMBER 2008

Taxes	<u>2008</u>	<u>2007</u>
	€	€
Turnover tax	<u>11.634</u>	<u>547</u>
Other receivables	<u>2008</u>	<u>2007</u>
	€	€
End settlement Union Fleurs	20.000	-
Prepaid costs	1.368	-
Claimable amounts	<u>790</u>	<u>7.892</u>
	<u>22.158</u>	<u>7.892</u>
EQUITY AND LIABILITIES		
EQUITY	<u>2008</u>	<u>2007</u>
	€	€
General reserves		
Balance per 1-1-2008	-27.399	-3.351
Plus: result balance sheet value	<u>28.023</u>	<u>-24.048</u>
Balance per 31-12-2008	<u>624</u>	<u>-27.399</u>
SHORT TERM DEBTS	<u>2008</u>	<u>2007</u>
	€	€
Taxes and premiums social charges		
Wage tax and social charges	<u>6.497</u>	<u>-</u>
Debts to banks	<u>181.149</u>	<u>127.619</u>

This amount refers to the current account debt to the Rabobank, which had a limit of € 250.000 per 31-12-2008. As from the 1st of May 2009 the credit facility has been reduced to € 75.000 and ends on 1-8-2009.

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5. NOTES TO THE BALANCE SHEET PER 31 DECEMBER 2008

Other liabilities	<u>2008</u>	<u>2007</u>
	€	€
<u>Amounts received in advance</u>		
Grant Produktschap Tuinbouw	20.000	-
Grant DGIS	14.113	-
Licence fees 2009	<u>15.917</u>	<u>-</u>
	<u>50.030</u>	<u>-</u>
<u>Expenses to pay</u>		
Business Plan	19.526	-
Activities FFP agents Europe	9.257	15.085
Salary expenses thirds	14.578	-
Interest Rabobank 4th quarter 2008	3.909	2.468
Office rent Nov/Dec	3.619	-
Reserve holiday allowance and holidays	2.681	-
Control chartered accountant 2008	2.500	-
Leasecosts car Nov/Dec	1.434	-
Telephone Oct/Dec	627	-
Control chartered accountant 2006-2007	-	6.100
Control chartered accountant 2006-2007	-	11.000
Advisory costs 2006-2007	-	4.270
Other	<u>-68</u>	<u>11.398</u>
	<u>58.063</u>	<u>50.321</u>
Other liabilities total	<u>108.093</u>	<u>50.321</u>

OBLIGATIONS NOT APPEARING ON THE BALANCE SHEET

There were no rental obligations end 2008
 There were no lease obligation end 2008

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6. NOTES TO THE INCOME STATEMENT

Revenues	<u>2008</u>	<u>2007</u>
	€	€
Revenues licence fees and labels		
Turnover licence fees	39.646	1.532
Turnover labels	16.305	16.400
Others	461	21
	<u>56.412</u>	<u>17.953</u>
Grants		
Produktschap Tuinbouw	100.000	-
DGIS	51.887	-
Rabobank	4.202	4.202
	<u>156.089</u>	<u>4.202</u>
Other revenues	<u>20.000</u>	<u>-</u>

This amount concerns the end settlement of the FFP-EU project of Union Fleurs, which refers to the accountants and interest costs which FFP has prepaid for the period of 2006-2008.

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6. NOTES TO THE INCOME STATEMENT

Expenses	<u>2008</u>	<u>2007</u>
	€	€
Personnel costs		
Salary	12.414	-
Social charges	1.574	-
Reserve holiday allowance (incl. social charges)	1.210	-
Reserve holidays (incl. social charges)	1.471	-
Lease costs car	2.608	-
Other personnel costs	986	-
<u>Costs own personnel</u>	<u>20.263</u>	-
Marketing	27.221	-
Financial	9.543	2.430
Management	9.364	12.704
<u>Costs personnel thirds</u>	<u>46.128</u>	<u>15.134</u>
Personnel costs total	<u>66.391</u>	<u>15.134</u>
Depreciations		
Software	946	236
Hardware	130	-
	<u>1.076</u>	<u>236</u>
Other costs		
Costs DGIS activities	51.887	-
Exhibitions	19.615	-
Printed material (labels, brochures, PR material)	12.809	5.112
Activities FFP agents Europe	9.550	-
Loss bad debtors	7.860	250
Control chartered accountant Union Fleurs Ernst & Young	5.670	-
Office rent	4.738	-
Advertising	4.725	-
Automation	2.575	-
Control chartered accountant 2008 Dubois	2.500	-
Translations	1.189	175
Control chartered accountant 2006-2007 Dubois & Co	-100	6.100
Control chartered accountant 2006-2007 Ernst & Young	-	11.000
Advisory costs 2006-2007 Ernst & Young	-	4.270
Others	1.979	1.761
	<u>124.997</u>	<u>28.668</u>

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