

Stichting
citizenMovement
annual report

2024



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-- board report --

1.1 name, legal form and location

Stichting citizenMovement is a foundation, founded in 2018 and has its place of business in Voorschoten, The Netherlands. The foundation is registered with the Chamber of Commerce (KvK) under number 72240954 and has been designated as an ANBI foundation.

1.2 about

citizenMovement is a growing non-profit organisation, supported by citizenM and its success depends on the joint efforts of citizenM's staff, guests and neighbours. In the structure of this foundation, citizenM is a direct sponsor of citizenMovement by donating funds collected from its digital housekeeping fundraising campaign which was implemented in many of its operational hotels as of 10 December 2021. In addition, citizenMovement also raises funds by organising fundraising events with employees, guests, suppliers and the wider citizenM community.

citizenMovement will not simply give money away. The giving needs to be linked to a direct sustainable life improvement chain reaction that comes from the receiving of what citizenMovement has given. Don't give them fish, teach them how to fish. These chain reactions can be sparked in many ways. citizenMovement can directly impact organisations or individuals using raised funds.

However, our strategy needs to amplify the impact of our efforts. To achieve that, we will look for organisations that truly share our views, values, and a dedication to our cause, and will partner with them. These partnerships, which may change annually, are selected out of proposals submitted by citizenM staff.

1.3 the citizenMovement Board



Klaas van Lookeren Campagne

Chairman



Hein Bijl

Secretary



Wulf van Alkemade

Board Member



Max Siem A Joe

Treasurer

The board members do not receive any kind of remuneration and they do not receive any kind of expenses allowances.

1.4 guests

A sustainable flow of funds has been already set up with hotel guests. Guests staying two nights or more can contribute by simply choosing not to have their daily room cleaning. citizenM will contribute a fixed amount of 3 EUR every time a guest says 'no' to having their room cleaned. Besides the housekeeping donation by the participation of guests, citizenMovement will generate funds by organising engaging fundraising events throughout the year involving guests, staff, partners and citizens of the cities where citizenM has hotels. We review our donation activation processes annually.

1.5 employees

Employee engagement is a fundamental component of our strategy. Employee awareness raising activities create alignment to the charities goals. citizenMovement's funds are also generated through donations and by engaging citizenM teams in staff related events that will raise funds for citizenMovement's mission and purpose.

1.6 our current long-term partner – World Bicycle Relief

Our chosen charity partner from 2018 to present is World Bicycle Relief (WBR). We initially supported their BEEP initiative (Bicycles for Educational Empowerment Program) which provides bicycles to students in developing countries to make their journeys to school shorter and feasible. Our focus going forward will be to support their new project, mobilising communities. The Mobilised Communities program is holistic and will be used as an integrated mobilisation approach to demonstrate the interconnectivity of various facets of a community. Where programs have previously been created in isolation of one another, Mobilised Communities will supply Buffalo Bicycles to address mobility constraints, across all sectors (education, healthcare, and economic opportunities), in one geographic location.

1.7 our impact to date

Since partnering with World Bicycle Relief in 2018, we have donated 4,341,977 EUR, funding 17,049 bicycles and impacting 85,245 lives. In 2024, citizenMovement made a significant donation to World Bicycle Relief's Mobilised Communities programs in the Zomba and Kasungu districts of Malawi, and their new incentivised sales model.

In times of crisis and in the event of severe disasters, we activate our disaster response policy. We recognise the need to support initiatives that help bridge the gap between people and the resources they need in times of humanitarian crisis. We evaluate the best way to support those in need in the immediate aftermath of a disaster. In consultation with citizenM, each year, we set aside 10% of our charitable donations to enable a quick response to severe and unprecedented disasters. Once this Disaster Response donation allocation has been used, further donations will not be considered in the same financial year. Since we introduced our disaster response policy in 2022, we've donated over 483,411 EUR to The International Committee of the Red Cross and The Netherlands Red Cross to support those affected by disasters and humanitarian crises in a number of countries.

1.8 more than just a bike – shortening the distance to economic opportunities

At 57, Emmie, from Zomba, Malawi, has witnessed firsthand the profound impact of receiving a Buffalo Bicycle through World Bicycle Relief's Community Mobilized Program in 2022. Before the bicycle, Emmie's ability to travel to local markets, sell her second-hand clothes, and manage her farm was limited. She often had to rent a motorbike for K20,000 per month, a cost that weighed heavily on her small business and personal expenses.

The Buffalo Bicycle has changed everything. Now, Emmie can easily travel between markets, cutting her journey time from two hours to just 30 minutes. This has allowed her to significantly increase her sales of second-hand clothes and onions, and the money saved from transport has been reinvested into her farming business. The bicycle has also helped Emmie transport supplies like fertilizer for her onion and maize fields, while her goats provide manure, improving the fertility of her land. As a result, she has enjoyed bumper harvests, increasing both her yield and income.

"The bicycle has simplified my life and my business," Emmie says. "I can travel to all the markets to sell clothes and onions and find feed for my goats. I can cover long distances in a short period of time, and my life has improved."

Emmie's bicycle has become an indispensable tool not just for her, but also for her family and neighbours. Her family uses it to transport farm produce and her neighbours borrow it to access medical care, visit the maize mill, and attend church. The time Emmie saves from biking has allowed her to dedicate more time to farm work and household chores, improving her overall productivity.

For Emmie, the Buffalo Bicycle has become a key to unlocking better business opportunities, more efficient farming, and a higher quality of life. The bicycle not only provides the freedom to travel but has also empowered her to support her family and contribute more to her community.



1.9 future outlook and budget 2025

In 2025, revenue from citizenMovement's housekeeping campaign is expected to increase due to an increase in occupancy and the opening of 4 new hotels in 2024, with a further 2 new hotels planned to open in 2025. citizenMovement will continue to support World Bicycle Relief's Mobilised Communities programs in the Zomba and Kasungu districts of Malawi.

Approved budget for the year ended 31 December 2025:

	€
INCOME	
- Income from citizenM	2,294,162
- Income other	5,000
Total income	2,299,162
EXPENSES	
Expenditure on objectives	
Contributions to partner organizations	2,529,416
Operating expenses	
- Outside labour expenses	70,940
- Marketing and sales expenses	38,000
- Expenses for cycle events	30,000
- Other administrative and general expenses	30,000
Total operating expenses	168,940
Sum of income and expenditures before financial income and expenses	-399,194
Financial income and expenses	-5,000
Balance of income and expenditure	-404,194

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-- financial statements --

2.1 Balance sheet as at 31 December 2024

	Note	31/12/2024	31/12/2023
		€	€
ASSETS			
Current assets			
Accounts receivable		302,685	606,582
Other receivables	2.4.1	95,581	356,475
Cash and banks	2.4.2	<u>1,763,108</u>	<u>533,511</u>
Total current assets		<u>2,161,374</u>	<u>1,496,568</u>
TOTAL ASSETS		<u>2,161,374</u>	<u>1,496,568</u>
EQUITY AND LIABILITIES			
Reserves and funds			
Continuity reserve	2.4.3	100,000	100,000
Earmarked project reserves	2.4.4	1,860,162	1,355,758
Fund for future cycle event	2.4.5	<u>27,500</u>	<u>27,500</u>
Total reserves and funds		1,987,662	1,483,258
Short-term liabilities			
Accounts payable	2.4.6	96,231	0
Other liabilities and accrued expenses	2.4.7	<u>77,480</u>	<u>13,310</u>
Total short-term liabilities		<u>173,711</u>	<u>13,310</u>
TOTAL LIABILITIES		<u>2,161,374</u>	<u>1,496,568</u>

2.2 Statement of income and expenditure for the year ended 31 December 2024

		Budget for the year ended 31 December 2025	Budget for the year ended 31 December 2024	Actuals the year ended 31 December 2024	Actuals the year ended 31 December 2023
		€	€	€	€
	Notes				
INCOME					
- Income from citizenM (savings)	2.5.1	2,294,162	2,263,494	2,486,594	2,142,873
- Income from sponsor contributions	2.5.1	0	0	0	0
- Income other (individuals)	2.5.1	5,000	50,000	819	317
Total income		2,299,162	2,313,494	2,487,413	2,143,190
EXPENSES					
Expenditure on objectives					
Contributions to partner organizations / World Bicycle Relief Fund contribution	2.5.2	2,529,416	2,531,349	1,884,889	1,272,657
Operating expenses					
- Outside labour expenses	2.5.2	70,940	70,800	70,105	68,810
- Marketing and sales expenses	2.5.2	38,000	38,055	17,848	30,715
- Expenses for (cycle) events	2.5.2	30,000	40,000	0	1,463
- Other administrative and general expenses	2.5.2	30,000	30,000	10,236	19,584
Total operating expenses		168,940	178,855	98,190	120,572
Sum of income and expenditures before financial income and expenses		-399,194	-396,710	504,335	749,961
Financial income and expenses	2.5.3	-5,000	-5,000	70	-414
Balance of income and expenditure		-404,194	-401,710	504,405	749,547

General policies

Activities

Stichting citizenMovement is a foundation, founded in 2018 and has its place of business in Voorschoten, The Netherlands. The foundation is registered with the Chamber of Commerce (KVK) under number 72240954 and has been designated as an ANBI foundation. The activities of the foundation, having its legal seat at Leidseweg 219, 2253 AE, Voorschoten, primarily consist of:

Mobilizing citizens to help reduce the distance between people and their opportunities, promoting the well-being of groups and individuals in society who are in a vulnerable or special attention position and creating opportunities and creating conditions for optimal development of these groups and individuals.

General accounting principles for the preparation of the financial statements

These financial statements are prepared according to Dutch Accounting Standard RJK C1.

Valuation of assets and liabilities and determination of the result takes place under the historical cost convention. Unless presented otherwise at the relevant principle for the specific balance sheet item, the assets and liabilities are recorded at face value.

The income and expenses are allocated to the period to which they relate. Income is only recorded insofar it has been realized on balance sheet date.

Obligations and possible losses originating before the end of the reporting year, are taken into account if they have become known before the preparation of the financial statements.

Translation of foreign currency

Receivables, liabilities and obligations denominated in foreign currency are translated at the exchange rate prevailing 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 are recorded in the income statement.

Estimates

When preparing the financial statements, the board is required by generally accepted accounting principles to use various estimates and assumptions in determining amounts in the financial statements. Actual results may differ from the estimates made.

Principles of valuation of assets and liabilities

Receivables, prepayments and accrued income

The receivables are included at fair value. Provisions deemed necessary for the risk of doubtful accounts are deducted.

Cash

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

Reserve and funds

Continuity reserve

A continuity reserve may be formed to cover short-term risks and to provide security that the foundation can also meet its obligations in the future. The starting point is that the foundation must be able to pay the fixed cost for a period of 12 months from the continuity reserve with a minimum amount of € 50,000.

Earmarked reserve

The total of reserves and funds is presented in such a way that it shows which part is freely disposable and which part is restricted. If part of the reserves and funds has been given a more limited spending option, then in view of the objective would be allowed by the organization, this part is accounted for as an earmarked reserve.

This restriction in the spending goal may have been imposed by the board of the foundation. If the restriction as referred to in the previous paragraph has not been made by third parties, but by the board, the part of the equity thus separated is designated as an earmarked reserve (and not as an earmarked fund). The notes state the amount and limited purpose of each earmarked reserve.

Fund for future cycle event

The fund for future cycle events is restricted to be used for a future cycle event, as agreed with the sponsor.

Liabilities

Liabilities are valued at amortised cost. If no share premium, discount or transaction costs are involved, the amortized cost equals the face value of the liability.

Liabilities are classified as short-term liabilities if they can be claimed within 12 months after the balance sheet date and as long-term liabilities if they cannot.

ASSETS

CURRENT ASSETS

2.4.1 Other receivables

This item can be broken down as follows:

	As at 31-12-24	As at 31-12-23
	€	€
Income from housekeeping savings to be invoiced	-	356.475
World bicycle Relief Q1 2025 donation prepayment	95.581	-
Total	95.581	356.475

2.4.2 Cash

	As at 31-12-24	As at 31-12-23
	€	€
Rabobank	1.763.108	533.511

EQUITY AND LIABILITIES

RESERVES AND FUNDS

2.4.3 Continuity reserve

The following continuity reserve has been formed as at 31 December:

	As at 31-12-24	As at 31-12-23
	€	€
Continuity reserve	100,000	100,000

The movements in the continuity reserves are as follows:

	Balance as at 01-01-24	Add	Less	Balance as at 31-12-24
	€	€	€	€
Continuity reserve	100,000	-	-	100,000
Total	100,000	0	0	100,000

2.4.4 Earmarked reserve

The following earmarked reserves have been formed as at 31 December:

	As at 31-12-24	As at 31-12-23
	€	€
Earmarked reserve for projects	1,860,162	1,355,758

The movements in the earmarked reserves are as follows:

	Balance as at 01-01-24	Add	Less	Balance as at 31-12-24
	€	€	€	€
Earmarked reserve for projects	1,355,758	504,405	0	1,860,162
		-		
Total	1,355,758	504,405	0	1,860,162

The above reserve is earmarked for projects of our partner World Bicycle Relief (WBR). Their BEEP initiative (Bicycles for Educational Empowerment Program) provides bicycles to students in developing countries to make their journeys to school shorter, and feasible.

2.4.5 Fund for future cycle event

The following fund been formed as at 31 December:

	As at 31-12-24	As at 31-12-23
	€	€
Fund for cycle event	27,500	27,500

The movements in the fund are as follows:

	Balance as at 01-01-24	Add	Less	Balance as at 31-12-24
	€	€	€	€
Fund for cycle event	27,500	-	-	27,500
Total	27,500	0	0	27,500

The fund for future cycle events is restricted to be used for future cycle events, as agreed with the sponsors.

2.4.6 Accounts Payable

	As at 31-12-24	As at 31-12-23
	€	€
Accounts payable - WBR Q1 2025 Invoice 324832	95,581	-
Accounts payable - MADE WITH ED Fundraising platform support	650	-
Total	<u>96,231</u>	<u>0</u>

2.4.7 Other liabilities and accrued expenses

	As at 31-12-24	As at 31-12-23
	€	€
Accrued audit expenses	6,925	13,310
Accrued salary expenses	70,105	-
Accrued fundraising platform hosting fee	450	-
Total	<u>77,480</u>	<u>13,310</u>

INCOME

Notes to the state of income and expenses

	Budget for the year ended 31 December 2024	Actuals the year ended 31 December 2024	Actuals the year ended 31 December 2023
	€	€	€
2.5.1 Income			
- Income from citizenM savings	2,263,494	2,486,594	2,142,873
- Income from sponsor contributions	0	0	0
- Income other (individuals)	50,000	819	317

The income from citizenM savings received from citizenM Holding B.V. was higher than budgeted due to the higher than expected occupancies and revenues in the participating citizenM hotels in 2024.

2.5.2 Expenses

Expenditure on objectives

Contributions to partner organizations

World Bicycle Relief Fund contribution	1.800.000	1.724.889	1.061.638
The Netherlands Red Cross Disaster Response Donation	231.349	160.000	211.019
Other projects	500.000	0	0
	<u>2.531.349</u>	<u>1.884.889</u>	<u>1.272.657</u>

The contribution to WBR was lower than the budget because of the lack of suitable projects. The donation to the National Red Cross was a later timing decided by the board for disaster response relief.

	Budget for the year ended 31 December 2024	Actuals the year ended 31 December 2024	Actuals the year ended 31 December 2023
	€	€	€
Operating expenses			
- Outside labour expenses	70,800	70,105	68,810
- Marketing and sales expenses	38,055	17,848	30,715
- Expenses for cycle events	40,000	0	1,463
- Other administrative and general expenses	30,000	10,236	19,584

The outside labor expenses consist of around 0.67 (2023: 0.67) FTE recharged from citizenM Operations Holding B.V.

The marketing and sales expenses and the expenses for the cycle events are lower than budgeted, the budgeted cycle event in 2024 was cancelled.

2.5.3 Financial income and expenses

Financial expenses	-5,000	70	-414
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The financial expenses relate to foreign exchange losses incurred from foreign exchange rate differences between the creation of the invoice and the payment of the contribution to WBR.

Appropriation of result for financial year ended 31 December 202

The annual report 2023 was adopted in the Foundation board meeting held on 06 February 2024. The foundation board meeting has determined the appropriation of result in accordance with the proposal being made to that end.

Proposed appropriation of result for the financial year ended 31 December 2024

The balance of income and expenditure over the financial year ended 31 December 2024 was € 504,405. We propose to allocate the result to:

Earmarked reserve (WBR) Projects	€ 504,405
Fund for future cycle event	€ 0
Continuity reserve	€ 0

The financial statements reflect this proposal.

Board remuneration policy

The board members do not receive any kind of remuneration and they do not receive any kind of expenses allowances.

Voorschoten, February 2025

Board:

N.P. van Lookeren Campagne

H. Bijl

J.W. van Alkemade

M.P. Siem A Joe

3. Other information

3.1 Independent auditor's report

Reference is made to the auditor's report as included hereinafter.

INDEPENDENT AUDITOR'S REPORT

To: The board of Stichting citizenMovement

Report on the audit of the financial statements 2024 included in the annual report

Our opinion

We have audited the financial statements 2024 of Stichting citizenMovement based in Voorschoten.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Stichting citizenMovement as at 31 December 2024 and of its result for 2024 in accordance with 'RJ-Richtlijn C1 voor Kleine Organisaties-zonder-winststreven' ('Guideline for annual reporting C1 for Small Not-for-profit Entities' of the Dutch Accounting Standards Board).

The financial statements comprise:

1. the balance sheet as at 31 December 2024;
2. the state of income and expenditure for 2024; 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. 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 citizenMovement 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 for Professional Accountants).

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

Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of the board report. Based on the following procedures performed, we conclude that the other information is consistent with the financial statements and does not contain material misstatements. 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 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 board report in accordance with 'RJ-Richtlijn C1 voor Kleine Organisaties-zonder-winststreven'.

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 the 'RJ-Richtlijn C1 voor Kleine Organisaties-zonder-winststreven'. 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 entity'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 entity 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 entity's ability to continue as a going concern in the financial statements.

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 those charged with governance 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.

Rijnsburg, 19th February 2025

Van Wezel Audit B.V.

J.H. Didden MSc RA