



Peppol

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OpenPeppol AISBL Accounts for 2021

14th General Assembly
Background Document for Vote 4

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1 Introduction to Vote 4: Approval of Accounts

According to the rules and regulations related to an international Not-For-Profit Association (Association Internationale Sans But Lucratif – AISBL) established under Belgian Law, the accounts of the AISBL are to be approved each year at the GA. It is the responsibility of the OpenPeppol Treasurer to ensure that the OpenPeppol Accounts are balanced according to the budget and budget principles approved for the current year.

This document is supported by a financial statement, provided by our Accountants.

2 Overview of the 2021 Results

2.1 Table 1: The 2021 Target Budget as approved by GA13

In the table below, the Baseline income figure consists of the expected annual fee amount to be billed to all members approved up to Dec. 31st, 2021. The Target Budget shows a 15% increase in fees forecasted for 2021 and how this uplift in income would be allocated to the appropriate expense lines, where increased costs were expected. The resulting GA13 budget was approved at the 13th General Assembly 2021.

A. Baseline Budget and Growth Calculation for 2021	B. 2020 Year-end Result	C. 2021 Baseline before adjustments	D. 2021 Adjusted Baseline	E. Uplift	F. Uplift allocation	G. 2021 Target Budget with 15% growth
Income	1,265,267	1,265,267	1,274,852	108,613	108,613	1,383,465
Membership Fees 2020	1,188,212	1,188,212	1,253,212			1,366,444
Income carried forward	23,495	23,495	24,292			24,292
Doubtful Accounts Previous Year Reversed	40,226	40,226	48,471			48,471
Allowance for doubtful Accts.	-48,471	-48,471	-51,123			-55,742
Prev. Year Income Deferrals Reversed	61,805	61,805				
Income deferral for ongoing projects and events	121,789					
Expenses	1,119,186	1,240,975	1,253,242	100%	108,613	1,361,855
Domiciliation	3,045	3,045	3,045		0	3,045
Fees/Accounting and Tax	84,501	84,501	92,951		0	92,951
Professional fees - Operations	936,063	970,788	970,788	60%	65,168	1,035,956
Professional fees- Consumables	85,755	103,255	90,043		0	90,043
Fees & Subscriptions /memberships	1,100	1,100	1,100		0	1,100
Travel Cost	3,800	3,800	44,477	5%	5,431	49,908
Annual fairs and Exhibitions	227	53,027	46,143	20%	21,723	67,866
Marketing expense	4,163	20,927	4,163	15%	16,292	20,455
Bank and Financial Charges	532	532	532		0	532
	24,292	24,292	21,610			21,610

2.2 Table 2: The 2021 Year-end result

The table below shows the annual position at the end of 2021 in comparison with the target budget approved at the 13th General Assembly.

Year-end Result Dec. 31st, 2021	Income Deferral to Spend in 2021 €	2021 annual position end-December €	Expected GA13 Budget end-December €	Variance €
Income		1,402,034	1,383,465	18,569
Membership Fees 2021		1,329,846	1,366,444	-36,598
Income carried forward		24,292	24,292	0
Doubtful Accounts Previous Year Reversed		48,471	48,471	0
Allowance for doubtful Accts.		-56,695	-55,742	-953
Prev. Year Income Deferrals Reversed		56,120		
Income deferral - ongoing projects/events	121,789	158,020		
Expenses	65,669	1,217,734	1,361,856	-144,122
Domiciliation		3,135	3,045	90
Fees/Accounting, Tax, Legal		59,494	92,951	-33,457
Professional fees - Operations	34,725	1,045,962	1,035,956	10,006
Professional fees- Consumables	0	89,531	90,043	-512
Fees & Subscriptions /memberships		1,100	1,100	0
Travel Cost		2,758	49,908	-47,150
Annual fairs and Exhibitions	26,400	14,935	67,866	-52,931
Marketing expense	4,544	0	20,455	-20,455
Bank and Financial Charges		819	532	287
Surplus	56,120	26,281	21,609	

The GA13 budget was based on an expected 15% growth of incoming membership fees for 2021, however we fell short of the target with a growth rate of only 11.92%, due primarily to a slowdown in new members onboarding and to the clean-up of non-responding members, many of which had been targeted previously as doubtful accounts. Total income increased by 1.3% over the GA13 target budget in comparison with a 5.29% increase in 2020.

A month-to-month rolling budget was used to control spending throughout the year. All increases in income above baseline were automatically allocated according to the percentages approved by GA13.

The growth in member fees was primarily related to new Service Providers joining, in addition to one new Peppol Authority joining in the 3rd quarter, the Digital Agency, Government of Japan.

The 2020 income deferral of 121,789 €, approved in GA13, was only partially spent on projects and events throughout 2021, due to the continued impact of the Covid-19 pandemic, which led to further cancellations of external events, delays in the Accounting

system migration and a scarcity of resources to complete the rebranding activities. A part of the deferral totalling 56,120 € was left unspent and reversed back to income at the end of 2021 (see Table 3 in section 2.3 of this document).

A surplus at the end of 2021 provides for a year-end deferral of income into 2022 of 158,020 € to resume the event activities delayed due to Covid-19 and provide for resources to support the ongoing Agreements revision and policy implementation and continued rebranding work (see Table 4 in section 2.4 of this document).

2.3 Table 3: Income Deferral from 2020 to 2021 – How it was spent

Table 3 shows the Income Deferral of 121,789 € taken at the end of December 2020, broken down into the expense categories where it was spent. The amount unused in 2021 of 56,120 € was returned to income accordingly.

Deferral from 2020 Year-end	Income Deferred Year-end 2020	2020 Deferral Spent in 2021	Unused Deferral Returned to income, end of 2021	Comments
Professional fees - Operations	34,725	34,725	0	Deferral for Agreements revision work used in full
Professional fees- Tools & Consumables	17,500	0	17,500	Accounting system upgrade delayed until end of year
Annual fairs and Exhibitions	52,800	26,400	26,400	Miami & Singapore events cancelled due to travel restrictions related to Covid-19
Marketing expense	16,764	4,544	12,220	Work delayed due to resource availability
Totals	121,789	65,669	56,120	

2.4 Table 4: Income Deferral from 2021 to 2022

In Table 4, the Income Deferral taken at the end of 2021, in the amount of 158,020 € is broken down into the appropriate expense categories and described in further detail.

Expenses related to ongoing projects & events to materialise in 2022	Amount Deferred	Comments
Professional fees - Operations	99,520	Deferral for Agreements revision and related policy implementation work in 2022. Also, continuation of the rebranding work including completion of the new website and enhancing the social media presence.
Annual fairs and Exhibitions	58,500	Deferral for 2022 Events: Exchange Summits in Miami, Lisbon, and Singapore. Also the eRechnungs Gipfel in Berlin.
Totals	158,020	

3 Detailed explanations for the budget items and Accounting results

Please find the details, clarifications, and comments for the 2021 Accounting items listed below:

3.1 Income

3.1.1 Member fees Billed

The budget was based on a forecast of 15% growth for 2021. This growth target was not reached, resulting in an 11.92% increase in member fee income over 2020 and an increase of 1.3% of total income over the GA13 target.

3.1.2 2021 Income Carried Forward

Income carried forward from 2020 into 2021 was 24,292 € which remained unused throughout the year and increased by 1,989 € for an end of year amount of 26,281 € carried forward into 2022.

3.1.3 Allowance for doubtful Accounts (Off-boarding)

The fees related to approved off-boarders in 2021 have already been reduced from the year-end member fees and the prior year's accrual of 48,471 € has been reversed into income to offset accordingly. The amount of 56,695 € has been set aside at year-end for doubtful accounts, increased in line with growth in income and reserved for members that have not paid the annual fees, have not yet responded to requests for payment or submitted requests to off-board.

3.1.4 Income Deferrals

The 2020 year-end income deferral of 121,789 € (captured in Table 3 above), was spent according to budget, leaving an unused amount of 56,120 € which was reversed back into income at the end of 2021.

For the 2021 year-end, an income deferral in the amount of 158,020 € (captured in Table 4 above) has been set aside to cover continuing work on the OpenPeppol rebranding and completion of the website, the sponsorship of 4 external events in 2022 (eInvoicing Exchange Summits planned for Miami, Lisbon, and Singapore and the eRechnungs Gipfel in Berlin), and the Agreements revision and policy implementation work to be continued in 2022.

3.2 Expenses

3.2.1 Domiciliation

Domiciliation expenditure remained in line with the budget for 2021.

3.2.2 Fees, Accounting, Tax, and Legal

Fees, accounting, tax, and legal expenditure was lower than budgeted as much of the legal support needed to bring the Statutes and Internal Regulations in line with the new Belgian Companies Code will be carried out in 2022.

3.2.3 Professional Fees – Operations

Expenditure on professional fees was slightly higher than originally budgeted due to continued work on revision of the Peppol governance framework with its agreements, policies, and procedures which was done through the Agreements Revision Task Force, heavily supported by the Operating Office. The ARTF work triggered a number of projects to develop the tools and services that are needed to implement the new policies and procedures. These projects such as the Reporting mechanism, started in 2021 and will be completed in 2022.

Additional Operating Office resources were also needed to support work on new specifications, such as the Peppol International Invoice (PINT) proof of concept and new Service Domains such as CTC. Considerable effort was spent to support the onboarding of new jurisdictions into Peppol, such as Japan.

3.2.4 Professional Fees – Tools and Consumables

Expenditure was just slightly lower than the GA13 budget figure as there were no unexpected increases in both software licencing and server support. PKI certificate usage remained stable, and costs foreseen to upgrade the accounting system have been budgeted for 2022 due to a delayed migration by the vendor.

3.2.5 Fees – Subscriptions and Memberships

Fees related to the annual cost of participation in the CEN/TC 40 and CEN/TC 434 committees were in line with the budget for 2021.

3.2.6 Travel Cost

The ongoing travel restrictions and cancellation of planned external events due to Covid-19, had a significant impact on travel expenditure with only minor costs realised for 2021.

3.2.7 Annual Fairs and Exhibitions

Expenditure on external events was significantly lower than budgeted, due to cancellation of Exchange Summit events planned for Miami and Singapore, related to ongoing Covid-19 restrictions. Only two external Vereon events were held F2F in Neuss and Vienna, before restrictions resumed again in the 4th quarter. OpenPeppol member meetings, including the 13th General Assembly were held as virtual events only.

3.2.8 Marketing Expenses

Marketing expense was limited to a small amount of rebranding work that was offset to an income deferral from the 2020 year-end, leaving a zero-cost result in this expense category. Some rebranding activities were cancelled due to Covid-19 restrictions on travel, needed to complete promotional work at events, including videos, while a lack of skilled resources impacted remaining activities (to be completed in 2022).

4 Vote 4 – Decision Item

Approval of the OpenPeppol AISBL Accounts for 2021

The 14th OpenPeppol General Assembly, gathered on the 5th of April 2022, hereby approves the OpenPeppol Accounts for 2021, as stated below:

Year-end Result Dec. 31st, 2021	Income Deferral to Spend in 2021 €	2021 annual position end-December €	Expected GA13 Budget end-December €	Variance €
Income		1,402,034	1,383,465	18,569
Membership Fees 2021		1,329,846	1,366,444	-36,598
Income carried forward		24,292	24,292	0
Doubtful Accounts Previous Year Reversed		48,471	48,471	0
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Professional fees- Consumables	0	89,531	90,043	-512
Fees & Subscriptions /memberships		1,100	1,100	0
Travel Cost		2,758	49,908	-47,150
Annual fairs and Exhibitions	26,400	14,935	67,866	-52,931
Marketing expense	4,544	0	20,455	-20,455
Bank and Financial Charges		819	532	287
Surplus	56,120	26,281	21,609	