



Network for Studies on Pensions, Aging and Retirement

2018 Financial Statements

April 2019



Annual Financial Statements for 2018

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2018 Financial Statements

Income (x €1,000)	2017	2018
General Income	2,897	2,543
Partner Contributions	1,290	1,740
Government Contributions	1,600	800
Other Income	7	3
Total General Income	2,897	2,543
Specific Income	289	348
Specific Income	289	348
Total Specific Income	289	348
Total Income	3,186	2,891

Expenses (x €1,000)	2017	2018
Network Development	236	230
Knowledge Development	1,807	1,862
Knowledge Sharing	804	766
Knowledge Sharing – Events	154	132
Knowledge Sharing – Publications	104	89
Knowledge Sharing – Expertise Center	304	300
Knowledge Sharing – Education	243	245
Management & Operations	471	431
Total Expenses	3,318	3,288

Notes to the 2018 Financial Statements

Summary

Netspar started implementing the four-year Action Plan "Better Prepared for Old Age" in 2015. The policy and activities mobilized in 2015 were pursued through 2018. The budgeting for the 2015-2019 Action Plan included sufficient financial resources for awarding new projects in 2015, 2016, and 2017. As a result of windfalls in the execution from 2015 to 2017, sufficient resources were found, with a call on reserves, to award grants in 2018, as well. This was important from the point of view of continuity in transitioning to a New Action Plan for 2019-2023.

Less Income Due to Shifts in Timing

The 2015-2019 Action Plan is based largely on certain revenue from funds pledged by various parties. The actual amount of revenue received can vary per year. Compared to 2017, overall income was lower in 2018 (+€295,000; -9%). The higher income in 2017 derived primarily from the fact that the government contributions for 2016 were not received until 2017.

Expenses Practically Even

Netspar's program is relatively stable in terms of grants awarded and the number of publications and events each year. Expenses remained essentially flat compared to 2017 (-€30,000; -1%). The expenses for knowledge sharing were lower than in 2017 as a result of cost savings on events and publications. The expenses for management and operations were lower than in 2017 because there were no renovation costs in 2018 and no additions to the liquidity reserves were needed.

A more detailed explanation of income and expenditure follows below.

EXPLANATORY NOTES

INCOME

General Income

The revenue in the "Partner Contributions" category is higher than in 2017 (+€450,000). This was caused by a contribution from Tilburg University to fund the Expertise Centrum for the 2019-2023 period (+€400,000) and by the recruitment of Pensioenfonds PGB as partner (+€50,000).

"Government Contributions" were lower than in 2017 (-€800,000). The higher level of contributions in 2017 had been caused by the fact that the contributions for 2016 were not received until 2017.

The total for "Other Income" was lower in 2017 (-€4,000) as a result of receiving less interest income from Tilburg University.

Specific Income

The "Specific Income" item refers to contributions received from third parties for specific, earmarked purposes. As in 2017, it pertained in 2018 to the two endowed chairs, including three projects, for Instituut Gak (social venture capital fund), as well as the European MOPACT project and the Australian project with CEPAR. The Specific Income item is higher than in 2017 (+€59,000) due primarily to expense reimbursements for MOPACT that were ultimately paid in 2018 even though the project had been completed in 2017.

EXPENSES

On the expense side, Netspar draws a distinction between its three primary roles:

- Network Development
- Knowledge Development
- Knowledge Sharing (events, papers, and education)

Costs are allocated as much as possible to each of these three primary role categories. There is also an item for Management & Operations.

Network Development

Netspar plays both an initiating and facilitative role in bringing together industry, government, and academic parties to address the issues of retirement and aging. It pursues a variety of activities to that end, such as organizing an annual Netspar Anniversary Meeting (theme for 2018: Living Longer) and annual Match Making Event, where researchers can test out the relevance of their research proposals with industry parties in advance. In addition, partner visits are held at various levels in the context of relationship management. Netspar also deploys a variety of communication tools in developing the network, such as the monthly Newsflash newsletter and the Netspar website. In 2018, a decision was made to stop publishing the biannual Netspar Magazine; the final issue ("Longer May We Live") appeared last spring.

The expenses related to network development were somewhat lower in 2018 than in 2017 (-€6,000; -3%) due primarily to less expenditure needed for revamping and maintaining the website.

Knowledge Development

The expenses related to knowledge development derive from the grants¹ that Netspar awards each year to various types of research projects, as well as from projects that Netspar executes with funding from third parties. These cover the cost of the research itself and its coordination, as well as any incidental costs for data.

The expenses for knowledge development were slightly higher in 2018 than in 2017 (+€55,000; +3%). We refer you to Appendix I for a more detailed explanation of the expenses for the various categories of projects.

Knowledge Sharing

It is essential that the knowledge developed with Netspar's support find its way to the industry, policymakers, and academia. Netspar accomplishes this by holding events, publishing papers, and providing education, among other things, as well as through the advisory services of its Expertise Center.

The expenses for events were lower than in the previous year (-€22,000; -14%). Compared to 2017, there were fewer sector-specific events, yet these drew greater numbers of participants and cost less money to put on. The drop in the number of events can be attributed to the introduction of a so-called working group day, at which the separate working groups were brought together. This addressed the recommendation from the partner evaluation to limit the number of events. Moreover, the costs for publications were lower (-€14,000; -14%), due in part to slightly fewer industry-specific papers being produced, fewer authors' fees for papers, and lower production costs. The expenses for the Expertise Center remained basically flat (-€4,000; -1%), as did those for education (+€2,000; +1%).

Management & Operations

The Management & Operations item contains costs that cannot be directly allocated to one of Netspar's three primary functions (i.e., network development, knowledge development, and knowledge sharing) and pertains primarily to the cost of managerial and administrative staff, auditing, office accommodations, IT, and HR, including reserves for such things as leave and working hour reductions.

Total costs for management and operations were lower in 2018 than in 2017 (-€40,000; -9%). This is due primarily to the fact that the 2017 expenses included renovation expenses and an allocation to the liquidation provision which were not needed in 2018.

¹ Appendix I lists the projects awarded as of 2018 for which payments were made in 2017 and 2018 and/or will be made in coming years.



Network for Studies on Pensions, Aging and Retirement

2018 Results

In 2018, expenses (€3,288,000) exceeded income (€2,891,000) by €398,000; that amount was deducted from the general reserves.



Multi-year Financial Statement

Multi-year Financial Statement as of 12/31/2018

Expected Income and Assets

Income

Partner contracts	5,550,000
Government funding	2,325,000
Targeted subsidies	1,935,355
Other income	100,000
Liquid assets	8,756,098

18,666,453

Expected Expenditures and Liabilities

Liabilities

Current projects and education	6,786,620
Personnel under contract	3,048,315
Project winding-up scenario	619,750
Reserves for personnel costs	926,280

Not yet allocated

2015-2019 & 2019-2023 Programs	6,526,224
Unreserved balance	759,264

18,666,453

Notes to the Multi-year Financial Statement

Netspar started executing its "2015-2019 Action Plan" in 2015, which is being succeeded by the "2019-2023 Action Plan" effective April 1, 2019. As of 12.31.2018, over €18.6 million has been budgeted for liabilities associated with that and earlier action plans, as well as with the 2019-2023 program (and attendant winding-up scenario).

The long-range income budgeted (€9.9 million) is fully covered financially by contracts and commitments. Income not yet generated is not included in that. In terms of the projected long-range expenditures, 64% involves existing obligations. In addition, 36% has been budgeted for allocation to the 2015-2019 and 2019-2023 Action Plans. This occurs each year when the budget is adopted. When the annual figures for 2018 – combined with the budgets for 2019 through 2025 – are taken into account, the remaining "Unreserved Balance" item totals €759,000. If the expenses that were originally budgeted for 2018 but will not be fulfilled until 2019 are further accounted for, the remaining "Unreserved Balance" in 2025 will be €551,000.²

Expected Income and Assets

We briefly describe the various kinds of income and assets below.

Partner Contracts

Partners from the pensions and insurance industry, including supervisory agencies, have committed to funding the 2015-2019 and 2019-2023 Action Plans, including the jointly drafted research agenda, for four years through fixed annual contributions. This item also includes income from Tilburg University for research to be commissioned by Netspar in 2019-2021 (€450,000). That income is currently uncertain.

Government Financing

The Netspar program for 2015-2019 is supported by a consortium of four government ministries: Social Affairs and Employment (SZW), Economic Affairs (EZ), Health, Welfare, and Sport (VWS), and Interior and Kingdom Relations (BZK). The 2019-2023 Action Plan is also receiving government funding.

Targeted Subsidies

Netspar carries out several projects subsidized by outside sponsors. Part of the funding pertains to two endowed academic chairs in the pensions field, including traineeships and postdoc positions, financed by the social venture capital fund Instituut Gak. This item also includes income for projects to be funded through the so-called PPP allowance ("PPS-toeslag" in Dutch) for public-private partnerships awarded by the Netherlands Enterprise Agency (RVO).

² The 2019 budget projected a final balance of €449,000. Based on the 2018 results, €102,000 will now be added to that, raising the projected balance to €551,000.

Other Income

For the new program period, one partner has decided to transform their partnership contribution into an annual gift.

Liquid Assets

The amount in the "Liquid Assets" item comes from the balance of income and expenditures from previous years.

Projected Expenses and Liabilities

On the expenses side, a distinction is made between continuing commitments and monies that are not yet committed to specific projects or operations. Continuing commitments are categorized under the following items.

Liabilities

- *Projects Underway and Education*

In addition to projects under the 2015-2019 and 2019-2023 Action Plans, there are still some from the 2011-2014 program period to be wrapped up. The obligations arising from all these projects are aggregated in this item. These pertain to annual payments owed to projects based on a previously agreed-upon schedule, adjusted as necessary according to an annual accounting of activities. In addition, the obligations emanating from the contract with TIAS for providing executive education were included as of 12.31.2018.

- *Contracted Personnel for 2019-2023*

Most of the staff working in the Netspar office are under a permanent employment contract. The total wage costs presented here are based on the assumption of operations continuing through April 1, 2023.

- *Scenario for Winding Up Projects*

In the event that funding for a new 2023-2027 Action Plan is not secured, provisions have been made for a winding-up scenario that would take three years to complete (2023-2025), including a limited annual budget for papers, a few events, and a minimal staff. The costs for any research then underway will be provided for at that point.

- *Reserves for Personnel Costs*

Netspar is required under the terms of its implementation agreement with Tilburg University to put aside certain reserves for personnel costs. This includes setting aside reserves for leave and to cover part of the severance payments for the Netspar office staff in the event of liquidation.

Monies Still to Be Allocated

- *2015-2019 and 2019-2023 Programs*

Future costs related to executing the 2015-2019 and 2019-2023 Action Plans fall under this item, excluding the costs pertaining to Netspar staff (see "Contracted Personnel"). On one hand, these costs include the predictable expenses for new research to be commissioned and related activities, as planned in the budget for 2019 and beyond. On the other, they include expenses deriving from execution of the 2018 program which shifted in time and were not provided for in the 2019 budget (adopted last November).

- *Unreserved Balance*

Upon execution and completion of the 2015-2019 and 2019-2023 Action Plans, a balance of funds will remain that is "unreserved." As of December 31, 2018, that item amounted to €759,000. This takes into account the budget for 2019 and beyond, including the allocation of €3,050,000 to Grants and a reserve for the wind-down scenario.

When the expenses originally budgeted for 2018 but not fulfilled until 2019 are further accounted for, the projected remaining "Unreserved Balance" in 2025 will be €551,000.³ That balance serves as a buffer for any unforeseen setbacks.

³ The 2019 budget projected a final balance of €449,000. Based on the 2018 results, €102,000 will now be added to that, raising the projected balance to €551,000.

Appendix I Project Expenses in 2018

Here follows a summary of the payments made for ongoing projects in 2018. This includes mention of the new projects awarded in 2018. Appendix II lists the projects awarded before 2018 for which payments were made in and after 2017 and 2018.

Theme Projects⁴

As part of its research agenda, Netspar funds up to 50% of select three-year social science research projects, for a maximum of between €250,000 and €500,000 per project. Project teams are composed of diverse scholars and team members employed by one of the industry partners. Members of the project teams participate in working groups and present the research results at Netspar events. Agreements are also reached with regard to the number of industry papers that are to be drafted.

(Amounts in € 1,000)	Total Grant Amount	Payments													
		Until 2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Granted in 2009	3,500	489	658	793	564	293	362	-	-	-	-	-	-	-	-
Granted in 2010	2,000	-	-	401	467	409	241	142	60	20	-	-	-	-	-
Granted in 2012	1,500	-	-	-	-	173	331	295	289	199	44	-	-	-	-
Granted in 2013	750	-	-	-	-	-	108	146	205	162	40	-	-	-	-
Granted in 2014	750	-	-	-	-	-	-	62	178	208	101	194	-	-	-
Granted in 2015	990	-	-	-	-	-	-	-	153	224	267	177	167	-	-
Granted in 2016	1,000	-	-	-	-	-	-	-	-	144	188	278	252	131	-
Granted in 2017	1,000	-	-	-	-	-	-	-	-	-	74	221	289	279	128
Granted in 2018	1,000	-	-	-	-	-	-	-	-	-	-	250	250	250	250
	12,490	489	658	1.194	1.031	875	1.042	645	885	957	714	1.120	958	660	378

Granted in 2018

- Hans Hoeken, Leo Lentz (UU): *The effectiveness of decision aids in pension communication and the role of literacy*
- Kène Henkens (NIDI): *The causes and consequences of retirement: A sociological perspective*
- Arno Riedl, Jona Linde, Peter Werner (UM): *Understanding and improving pension savings by combining incentivized experiments, survey, and administrative big data: A general employed population sample with a focus on the self-employed*
- Marijke van Putten (RUL): *Development and tests of a model for inertia in retirement decisions*

⁴ Up until 2011, large projects were referred to as Theme Projects. In 2011, the terms Large and Medium Vision Projects were introduced for large and medium-sized projects. In 2015, however, we returned to the name Theme Project for this class of projects.

Individual Research Grants⁵

In the Individual Research Projects, Netspar funds up to 50% of the costs for a PhD candidate, or the equivalent sum for a post-doc researcher, for a maximum of three years and up to €80,000. The PhD student or postdoc is required to write two industry papers and participates in Netspar events.

(Amounts in € 1,000)	Total Grant Amount	Payments											
		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Granted in 2011	354	18	94	107	66	-	11	-	-	-	-	-	-
Granted in 2012	65	-	10	21	23	11	-	-	-	-	-	-	-
Granted in 2013	260	-	-	27	39	98	88	20	-	-	-	-	-
Granted in 2016	176	-	-	-	-	-	12	62	71	31	-	-	-
Granted in 2017	240	-	-	-	-	-	-	21	82	86	49	2	-
Granted in 2018	253	-	-	-	-	-	-	-	38	87	86	33	9
	1,348	18	104	155	128	109	111	63	191	204	135	35	9

Granted in 2018

- Alexander Henkel (OU): *Untangling human interaction patterns: Learning from automated emotion detection in the consumer pension context*
- Jessica Warren (TiU): *Contractual savings for housing in relation to pension plans in the Netherlands*
- Kristy Jansen (TiU): *Trading behavior of institutional investors*
- Bart Dees (TiU): *Pensions products for heterogeneous agents accommodating for life events*

Topicality Projects

The objective of the topicality projects is to formulate solutions for clearly delineated topical issues on the Netspar agenda; these projects are aimed at fostering collaboration between scholars and professional experts. Each topicality project produces an industry paper.

(Amounts in € 1,000)	Total Grant Amount	Payments									
		2011	2012	2013	2014	2015	2016	2017	2018	2019	
Granted in 2011	193	30	82	48	-	-	-	-	-	-	-
Granted in 2012	100	-	24	68	8	-	-	-	-	-	-
Granted in 2013	100	-	-	18	48	14	-	-	-	-	-
Granted in 2014	170	-	-	-	92	42	36	-	-	-	-
Granted in 2015	180	-	-	-	-	122	44	14	-	-	-
Granted in 2016	160	-	-	-	-	-	52	35	14	-	-
Granted in 2017	160	-	-	-	-	-	-	6	74	34	-
Granted in 2018	160	-	-	-	-	-	-	-	47	97	-
	1,203	30	106	134	148	178	132	55	135	131	

Granted in 2018

- Arno Riedl (UM): *Inter- and intragenerationele solidariteit tussen Nederlandse burgers (Inter- and intragenerational solidarity among Dutch citizens)*

⁵ Starting in 2015, the Small Vision Grants were renamed Individual Research Grants.

- Ioulia Ossokina, Theo Arentze (VWS): *Woonvoorkeuren van ouderen: impact van zorgbehoefte en behoefte aan nabijheid van familie (Living preferences among older people: Impact of care needs and need for proximity to family)*
- Bastiaan Starink, Michael Visser (TiU): *Inrichting fiscaal kader bij afschaffing doorsneesystematiek (Design of tax framework under the elimination of uniform contributions)*
- Jona Linde (UM): *Vormgeving en realisatie opting-outsysteem (Design and execution of an opt-out system)*
- Dirk Brounen, Eduard Ponds (TiU): *In hoeverre kun je het eigen huis betrekken bij het pensioeninkomen? Pensioenaanvullingen in steen gebeiteld (To what extent can you include your home as part of your pension income? Pension supplements chiseled in stone)*
- Arthur van Soest, Johan Bonekamp (TiU): *Spaarmotieven en consumptiegedrag (Saving incentives and consumer behavior)*
- Erik Lutjens, Fieke van der Lecq (VU): *Gevolgen vervallen verplichtstelling (Consequences of eliminating mandatory requirements)*
- Lisa Brügggen, Thomas Post (UM): *Pension communication and pension choice in Sweden*

Comparative Research Grants⁶

Researchers who are not already receiving funding from Netspar are eligible for a Research Grant of up to €20,000. The condition is that they write an academic paper (Netspar Discussion Paper) to be presented at the International Pension Workshop.

(Amounts in € 1,000)	Total Grant	Payments								
	Amount	2011	2012	2013	2014	2015	2016	2017	2018	2019
Granted in 2011	70	21	49	-	-				-	-
Granted in 2012	49	-	15	21	13				-	-
Granted in 2013	66	-	-	20	39	7	-	-	-	-
Granted in 2017	79	-	-	-	-	-	-	25	54	-
Granted in 2018	60	-	-	-	-	-	-	-	18	42
	324	21	64	41	52	7	-	25	72	42

Granted in 2018

- Aleksandar Andonov (EUR), Mike Qinghao Mao (Deakin, AUS): *Comparison of the portfolio decisions of participants in U.S. 401(k) pension plans with the asset allocation of Dutch pension plans*
- Dorly Deeg (VUMC), Wouter De Tavernier (Aalborg, DK), Per H. Jensen (Aalborg, DK), Sascha de Breij (VUMC): *Occupation-based life expectancy: Towards actuarial fairness of determining future statutory retirement age*
- Natascha van der Zwan (UVA), Karen Anderson (Southampton, UK), Tobias Wiss (Johannes Kepler, AT): *Pension funds and sustainable investment: Comparing regulation in the Netherlands, Denmark, and Germany*

One-time Projects

In addition to the regular grants program, one-time project funding is occasionally awarded.

⁶ Starting in 2015, the Research Grants were renamed Comparative Research Grants.

Granted in 2018

- Philipp Koellinger, Richard Karlsson Linnér (VU): *De effecten van genetische gezondheidsrisico's op de verwachte levensduur van individuen, verzekeringsdekking en pensioenbeslissingen (The effects of genetic health risks on people's life expectancy, insurance coverage, and retirement decisions)*

Instituut Gak (Social Venture Equity Fund)

Three research projects were launched in 2015 in association with the two endowed pension chairs:

- *Beleggingsresultaten van niet-liquide activa op lange termijn (Investment results on illiquid assets in the long term)*
- *De afweging tussen kosten, ambitie en risico in pensioencontracten (The deliberation between costs, goals, and risk in pension contracts)*
- *De toereikendheid van pensioenen (The adequacy of pensions)*

One PhD position and two traineeships were made available for these. These projects started sometime in 2015. They ran through 2016 for the entire year and in 2017 and 2018, as well, with a full staff (+€25,000).

CEPAR

In 2015, an international comparative study of the Dutch and Australian pension systems was started in collaboration with CEPAR (funded in part by the Australian Research Council [ARC], which is similar to the Netherlands Organization for Scientific Research [NWO]). One full-time researcher has been working on the project since 2016. The related expenses were lower in 2018 than in 2017 because Netspar no longer owed a so-called partner contribution for it (-€18,000). The project was completed in 2018.

MOPACT

Netspar participated in the EU MOPACT project (Mobilising the Potential of Active Ageing in Europe) from 2013 onward. The content for this project was completed in 2017. No expenses were realized in 2018 (-€26,000).

Appendix II Grants Awarded prior to 2018

This appendix provides a list of all the grants awarded before 2018 for which payments were made during or after 2017 and 2018 or will be made going forward.

1. Theme Projects (previously called Large and Medium Vision Projects)

Granted in 2010

- Thomas Dohmen and Andries de Grip (UM): *Human capital and aging*

Granted in 2012

- Benedict Dellaert and Bas Donkers (EUR): *Interactive pension communication and decision making*
- Michel Vellekoop (UvA): *Risk management in funded pension systems*
- Frank de Jong (TiU): *Robust models for supervision of pension funds and insurance companies*
- Mauro Mastrogiacomo (VU/DNB): *Second and a half pillar for the self-employed?*

Granted in 2013

- Andries de Grip (UM): *Retirement, HR and worker behavior*
- Rob Alessie (RUG) and Marike Knoef (RUL): *Pension savings and consumption needs of current and future retirees*
- Marcel Lever (CPB): *Optimal design of the Dutch multi-pillar pension system: Lessons from an international comparison*

Granted in 2014

- Dorly Deeg (VUMC): *Changes in retirement policies and cohort differences: Their impact on age at retirement, income, health, and mortality*
- Leo Lentz (UU) and Adriaan Kalwij (UU): *Preparing for retirement: Tailoring, literacy, and effective pension communication*
- Daniel van Vuuren (CPB): *Flexible combinations of work and retirement*

Granted in 2015

- Lisa Brüggén and Thomas Post (UM): *Engaging pension plan participants: How emotions, peer effects, and life events influence the effectiveness of pension communication*
- Rene Maatman and Mark Heemskerk (RUN): *Pension rights and ownership: A legal analysis in an economic context*
- Eddy van Doorslaer and Erik Schut (EUR): *Optimal saving and insurance for old age: The role of public long-term care insurance*

Granted in 2016

- Marike Knoef (RUL): *Uncertainty over the life cycle: Implications for pensions and savings behavior*
- Benedict Dellaert (EUR): *Individuals' choices of comprehensive pension plans*

- Andries de Grip and Raymond Montizaan (UM): *Work, health and retirement*

Granted in 2017

- Johan Mackenbach and Wilma Nusselder (Erasmus MC): *Longer life, longer in good health, working longer? Implications of educational differences for the pension system*
- Antoon Pelsser (UM): *Design of pension contracts in incomplete markets and under uncertainty*
- Marcel Lever (CPB): *Choice architecture in pensions and retirement*
- Peter de Goeij and Eric Postma (TiU): *Data science solutions to enhance pension communication*

2. Individual Research Grants (previously called Small Vision Projects)

Granted in 2013

- Hailong Bao (TiU): *Intergenerational risk sharing in collective DC*

Granted in 2016

- Anne Balter (TiU): *Contract specifications for new pension deals*
- Damiaan Chen (UvA): *Valuation of index-linked assets in incomplete markets*
- Jaap Oude Mulders (NIDI): *Confronting responses of employees and employers*

Granted in 2017

- Ellen Dingemans (NIDI): *Understanding the relationship between paid work after retirement and well-being in a European perspective*
- Wiebke Eberhardt (UM): *Facing the pension communication challenges of tomorrow: On aging, emotions, and artificial intelligence*
- Marleen Damman (NIDI): *Retirement preparation and retirement transitions of the Dutch solo self-employed*

3. Topicality Projects

Granted in 2015

- Joost Dankers (UU): *Honderd jaar pensioenwetgeving (1919-2019): visies en beleid (One hundred years of pension legislation [1919-2019]: Visions and policy)*

Granted in 2016

- Marcel Lever (CPB): *Keuzevrijheden in de uitkeringsfase: hoe worden deze gebruikt in andere landen? (Freedom of choice in the payout phase: How is it used in other countries?)*
- Lisa Brügggen and Thomas Post (UM): *Keuzearchitectuur (Choice Architecture)*
- Rob Alessie (RUG), Raun van Ooijen (RUG), and Marike Knoef (RUL): *Pensioenambitie (Retirement Goals)*
- Marike Knoef and Marijke van Putten (RUL): *Pensioenbewustzijn van jongeren verhogen (Increasing pension awareness among young people)*

Granted in 2017

- Jim Been (UL), Casper van Ewijk (TiU), Marike Knoef (RUL), and Roel Mehlkopf (DNB): *Vormgeving keuzevrijheid en maatwerk binnen pensioenregelingen (Design of options and customization in pension schemes)*
- Rik Dillingh, Daniel van Vuuren, and Marcel Lever (CPB): *Gevolgen van (verder) verhogen van pensioendatum (Implications of raising the retirement age [any further])*
- Ed Westerhout, Marcel Lever (CPB), Bastiaan Starink (TiU), and Eduard Ponds (APG): *Flexibele pensioenopname (Flexible pension payouts)*
- Bas Werker, Wesley Kaufmann, and Bastiaan Starink (TiU): *Keuze en maatwerk in pensioen; Economische en juridisch aspecten en data (Options and customization in pension plans: Economic and legal aspects and data)*
- Marcel Lever (CPB), Bas Werker (TiU), and Casper van Ewijk (TiU): *Overgangseffecten bij afschaffing doorsneesystematiek (Transition effects of eliminating uniform contributions)*
- Anja de Waegeneare (TiU), Michel Vellekoop (UvA), Agnes Joseph (PGGM), and Pascal Jansen (PGGM): *Effecten van verschillende vormen van het delen van macro-langlevenrisico (Effects of various forms of distributing macro-longevity risk)*

4. Comparative Research Grants (previously called Research Grants)

Granted in 2017

- Anne Balter (TiU), Malene Kallestrup-Lamb (Aarhus University, DK), and Jasper Rangvid (CBS, DK): *Comparison of variable annuities between the Netherlands and Denmark*
- Arthur van Soest, Henriette Prast (TiU), and Maria Christina Rossi (UniTo): *Pension communication across countries*
- Max Coveney, Eddy van Doorslaer, Tom van Ourti, and Pilar García-Gómez (EUR): *Which type of pension systems protect against the income and health inequality consequences of a recession?*
- Hazel Bateman (UNSW) and Frederica Teppa (DNB): *Regulation of information provision for pension choices: Australia and the Netherlands compared*

Appendix III Letter of Representation



Network for Studies on Pensions, Aging and Retirement



Network for Studies on Pensions, Aging and Retirement

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Stichting Netspar (Netspar Foundation)

Attn: Chair of the Supervisory Board

Tilburg, April 26, 2019

Re: Letter of Representation for the 2018 Financial Statements

Reference no.: N2019.060

Dear Mr. Swank,

We hereby submit the 2018 Financial Statements and Multi-year Financial Statement as of December 31, 2018, to the Supervisory Board for approval.

These are the financial statements and multi-year financial statement for the Netspar Center, part of Tilburg University. Stichting Netspar (the foundation) does not have its own financial statements per se. The commissioning contract concluded between Tilburg University and Stichting Netspar, dated August 27, 2012, specifies that Tilburg University is responsible for executing the Stichting Netspar multi-year program and for establishing an administrative body for that purpose (i.e., the Netspar Center). Stichting Netspar is obliged to place any and all resources it receives from its partners and other sponsors for the purpose of achieving its objectives with the Netspar Center, which must manage and use those resources in accordance with the instructions of Stichting Netspar.

The aforementioned contract further stipulates that every year, Tilburg University will provide Stichting Netspar with a financial annual report, including auditor's report, for the previous fiscal year, as pertains to the Netspar Center, by no later than April 1st.

Visiting address Faculty of Economics and Business Administration • Warandelaan 2 • Tilburg

The figures for the Netspar Center are part of the consolidated annual figures for Tilburg University, which include an auditor's report. To that end, the Netspar Center provides an annual analysis of the decentralized financial statements in conformity with the format prescribed by the Executive Board of Tilburg University. It bases these on the administrative systems designed and provided by Tilburg University. For 2018, the so-called decentralized financial statements (based on figures with a run date of 02-12-2019 and a freeze date of 02-12-2019), along with the requisite notes, were delivered to the Executive Board on February 28, 2019.

Netspar's Board of Directors considers the format that the Netspar Center must observe as a division of Tilburg University in drafting its annual figures poorly suited to providing its partners with a readily comprehensible overview of the income and expenses related to the principal functions Netspar performs. Netspar therefore also draws up more customized financial statements in its own format, which are released on the Netspar website after first being approved by the Supervisory Board.

The figures listed in the 2018 financial statements for the annual report align as follows with the figures in the 2018 financial statements submitted to the Executive Board of Tilburg University.

	TiU EB	Netspar Annual Report
Income	3,352	2,891
Expenditure	3,352	3,288
Profit/Loss	0	-398

Amounts X EUR 1,000

Under the Tilburg University system, the financial statements for the Netspar Center are geared to obtaining a result that must be equal to the amount to be added to the agreed liquidity reserves (as stipulated in the aforementioned contract). The differences in income (-€461,000) and expenses (-€64,000) can be explained as follows:

- Income was increased by €398,000 in compiling the financial statements according to the Tilburg University format in order to arrive at the necessary result of €0 (the amount of the required addition to the liquidity reserve). This amount was deducted from prepaid income on the balance sheet.



- In addition, under the TiU format, income received from Tilburg University in the amount of €64,000 was recorded for internal secondment, corrections to the way costs had been charged on, and project reimbursements, among other things.
- On the expenses side, there were credit entries related to costs that were recorded as income under the TiU format (-€64,000).

This thus fully explains the difference in the two results.

We acknowledge our responsibility in drawing up the financial statements. These statements have our approval, and it is our belief that they constitute a fair representation of the results. We have accounted for or explained all applicable liabilities in the financial statements. To the best of our knowledge, no events have occurred between the balance sheet date and the date of this letter that would present cause for amending the financial statements or the notes to the financial statements.

Sincerely yours,

On behalf of the Netspar Center Board of Directors,



Casper van Ewijk
General Director