

Annual Report 2019

**European
Cultural
Foundation**

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Culture as a Driver for Imagination and Solidarity

HRH Princess Laurentien of the Netherlands
President, European Cultural Foundation



It is unusual to be looking back at the previous year now from a perspective that is so radically different than what we knew in 2019. Everything that we had taken for granted and on which our work is restricted or postponed: cultural exchange, cooperation and creatively experiencing the other. Missions such as European solidarity that we strive for since our origins and still in 2019, gain even more depth and importance in this crisis situation that touches so many individuals across the world. So what is a meaningful way to look back at the year in which we supported, contributed and explored many initiatives from which we need to draw new energy and insights that help us fulfil our European mission?

Democracy Needs Imagination was the frame, the guiding light for all our activities. Democracy is an undeniable, unshakable principle of our lives, our societies in Europe. 65 years ago when the European Cultural Foundation was founded leaders visualised a peaceful and stable Europe. In their imagination democracies and a united Europe were built through more understanding and close collaboration within and between countries. Now technological, social, economic and environmental changes may feel so overwhelming that we find it hard to keep up, let alone imagine there are ways for positive change.

The work of the Foundation is about communication between people, about creating exchange and experiences that foster the feeling of belonging together, about promoting a European sentiment defining common points of departure to imagine common futures. The grant scheme under the same theme of *Democracy Needs Imagination* was launched in two instalments actively encouraging people to use their imagination in reimagining democracy, invigorating a sense of solidarity and togetherness. It is drawing from their stories and testimonies that we can look to the future.

I hope that you enjoy reading about our activities and that you join us in imagining a collaborative, open and inclusive Europe. Democracy needs imagination. Imagination feeds solidarity. Culture helps us imagine. Imagine a future that is positive and worthwhile living, realising that we can only achieve this together.

HRH Princess Laurentien of the Netherlands

President, European Cultural Foundation

*“Democracy is an undeniable,
unshakable principle of our lives,
our societies in Europe.”*

Building a European Sentiment

André Wilkens

Director, European Cultural Foundation



This is the annual report of the European Cultural Foundation for 2019. At the time of writing, 2019 seems like a different era – an era before the coronavirus. But we wanted to look back at the past year to see what lessons we can learn and what will still be relevant for the years ahead.

In October 2019, we celebrated the 65th anniversary of the European Cultural Foundation, which was started in 1954 by a group of people whose lives were scarred by the European battles of the first half of the 20th century. They had a vision of a peaceful and cooperative Europe – a Europe that served its citizens better than it had done for most of the past centuries.

This vision is as relevant today as it was back in 1954, possibly even more so. Economic divergence is increasing and inequalities are visibly rising across Europe. These divisions are leading to fragmentation between countries and polarisation within societies. There is the threat of European disintegration. Europe needs a renewed European sentiment – a European sense of belonging.

Without this, Europe is vulnerable to regression and set back. With this in mind, in 2019 we solemnly reconfirmed that our 65-year-old mission of promoting a European sentiment through culture and education would continue to be at the very core of what we do – not out of nostalgia but because, despite all what has been achieved, a European sentiment is still in short supply.

To better understand what the challenges of Europe are and what culture and philanthropy can do to address them, we embarked on a tour of Europe in 2019 and organised 14 roundtable meetings with a wide range of people in different places and settings. What tied the tour stops together was the willingness to join forces to think about what it will take to make Europe a community of culture, a community of shared belonging, and to make Europe part of the solution to the big challenges the world faces today rather than being part of the problem.



The findings of this tour became an integral part of our new strategy *Challenge 2025* and they helped to shape the *Amsterdam Manifesto for Europe*, which was presented on the eve of our 65th anniversary celebrations.

The European Cultural Foundation's main contribution to the growing political polarisation in Europe in 2019 was a new Call for Action – *Democracy Needs Imagination*, which both framed the challenging environment in Europe and provided financial support for all those who wanted to join our call for action. This new initiative was extremely open and flexible, allowing a wide range of people and organisations to join in. We funded 49 proposals, including digital and media campaigns, art projects, public debates, podcasts, TV programmes and citizen mobilisation.

The useful lessons learned from this Call for Action are already shaping our response to the coronavirus crisis in terms of framing an issue and providing flexible funding for a diverse group of partners.

Democracy Needs Imagination also marked the *ECF Princess Margriet Award for Culture*. The Foundation's President, Princess Laurentien of the Netherlands, presented the awards to laureates Ahdaf Soueif (Cairo/London) and City of Women Festival (Ljubljana).

Each laureate represents distinct cultural approaches, but both also offer a hopeful vision of democracy by redefining the notion of culture and its capacity to improve a common social reality. After 11 successful editions, 2020 is a time to challenge our ambitions afresh and transform the Award into a Europe Challenge that addresses the fundamental problems of European society during and after the coronavirus crisis.

We have also been advocating for increased funding for Creative Europe, as part of our Public Policy work, and for a stronger position for culture in selected EU internal and external policies. The original plan of Commission President Ursula von der Leyen did not even envisage a European Commissioner for Culture. The European Cultural Foundation argued strongly in favour of bringing back this position and announced that we would be prepared to recruit a Cultural Citizens Commissioner as an alternative.

Thanks to a concerted effort by the cultural sector and the European Parliament, we were pleased that the Commission President revised her plans to include culture officially in the portfolio of the European Commissioner for Innovation, Research, Culture, Education and Youth. In 2019, we started to merge our programmes, grants and projects into three clusters: Experience, Imagine and Share. Europe as a cultural community is connected through spaces (Share Europe), through people (Experience Europe) and through stories (Imagine Europe).

We created and developed initiatives in-house (operational) and we supported and scaled up initiatives of others (grant-making). Whether operational or grant-making, all foundation resources were invested for the European public purpose. This strategy framework remains valid and relevant, even under the new conditions we face in 2020. However, as a response to the current crisis and its implications, we have decided to focus all our efforts into nurturing a European culture of solidarity.

Now we are in 2020 and we are living in truly extraordinary times. The coronavirus crisis is not only a challenge to public health, our economy and social cohesion. It is a challenge to our way of life and to Europe as a sharing community. The crisis could be a strong European moment. A moment where people understand how important it is to have European friends who support each other. It should be a moment when you share vital information, expertise and supplies – a moment when you realise how a global crisis can be managed much better through cooperation and solidarity.



But so far this has not been a European moment. National leaders have taken the initiative and have done whatever it takes to protect their citizens against the virus. Their approaches might be different in terms of public health responses, but they are surprisingly consistent when it comes to protecting the national interest. Where is Europe in all of this? Where is the European interest and who is standing up for it?

However, there is hope. Citizens across the continent are reaching out to each other, practising small and often imaginative human gestures of everyday solidarity. This is the culture of solidarity we ought to grow out of this crisis. This is the European moment we have been searching for – a European moment of citizens.

At the European Cultural Foundation, we have decided to support this moment. The coronavirus crisis is the ultimate test of whether a European sentiment actually exists and what value it brings to individual Europeans and our societies. Today, in 2020, a European sentiment worth having ought to be one of solidarity. Supporting a European culture of solidarity is a timely expression of the European Cultural Foundation's original mission.

To find out in more detail about the work of the European Cultural Foundation in 2019 and how this is shaping our future work, I invite you to browse through the following pages. Thank you for your interest, cooperation and support. We will be counting on this for the challenging times ahead.

André Wilkens

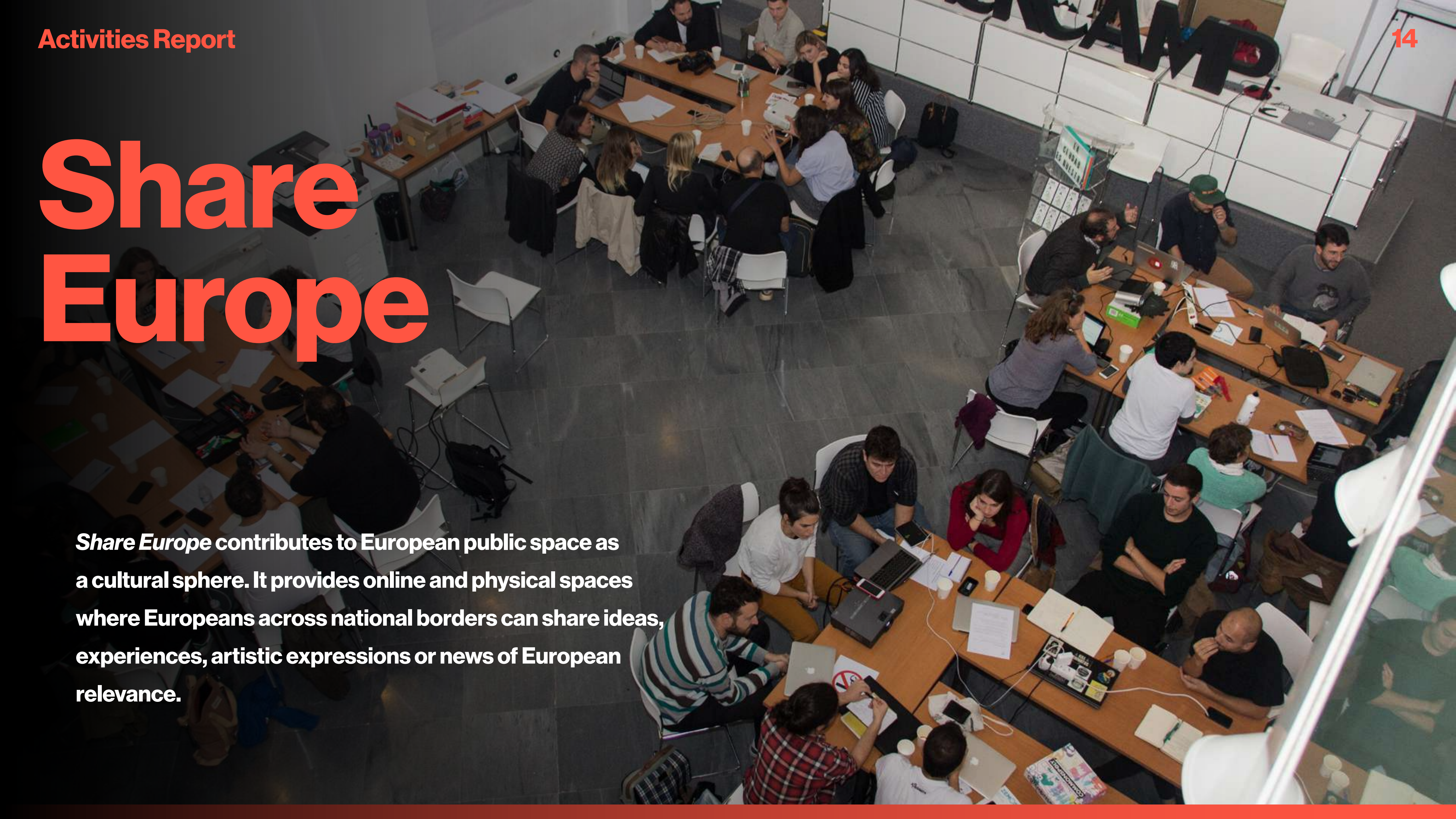
Director, European Cultural Foundation



Activities Report

Share Europe

***Share Europe* contributes to European public space as a cultural sphere. It provides online and physical spaces where Europeans across national borders can share ideas, experiences, artistic expressions or news of European relevance.**



Media Activism

Media Activism offers a safe space for activists to share their causes and to discuss how to mutually support each other in achieving their aims. The platform acts as an intermediary between the activist field and mainstream media, and aims to include the activist voices into the public sphere.

MediActivism Hackcamps

Together with our partners Kurziv, Krytyka Polityczna, Fanzingo, Les Têtes de l'Art and ZEMOS98, we supported the development of a collaborative infrastructure for an inclusive European public sphere.

During *Hackcamps* in Zagreb, Warsaw, Stockholm, Marseille and Seville, more than 150 mediamakers, activists and researchers collaborated to develop ideas for five guerrilla media campaigns. The aim of these campaigns was to claim the right to the city for all citizens, including those not recognised as citizens. This led to the implementation of *Right to the City Labs*, which will take place in 2020.

MediActivism is co-funded by the *Erasmus+ Programme* of the European Commission. mediactivism.eu

Lost in Media

Lost in Media analyses and challenges the discourse of migrant voices in European media. The book was launched at events across Europe – De Balie in Amsterdam, Tate Modern in London, Bookstan Literature Festival in Sarajevo and Venice during the Biennale. More than 500 visitors attended the various launch events. Essays from the book were published in *The Guardian*, *El Diario*, *Lithub* and *Kulturpunkt*. *Lost in Media* was published together with Valiz Publishers in May 2019 and 800 copies have been sold.

Culture for Solidarity

This multiannual project (2018-2020) explores the role of culture in shaping inclusive practices in communities in Europe. The publication Culture and Solidarity is based on action research by artists and academics working together in Poland, Spain, Croatia, Moldova and France.

In April, more than 40 artists and academics involved in the action research – activists, cultural mediators, staff of cultural institutions, representatives of municipalist movements, journalists and other citizens – came together to discuss the future of Europe at the Culture for Solidarity Fest in Seville, organised by ZEMOS98.

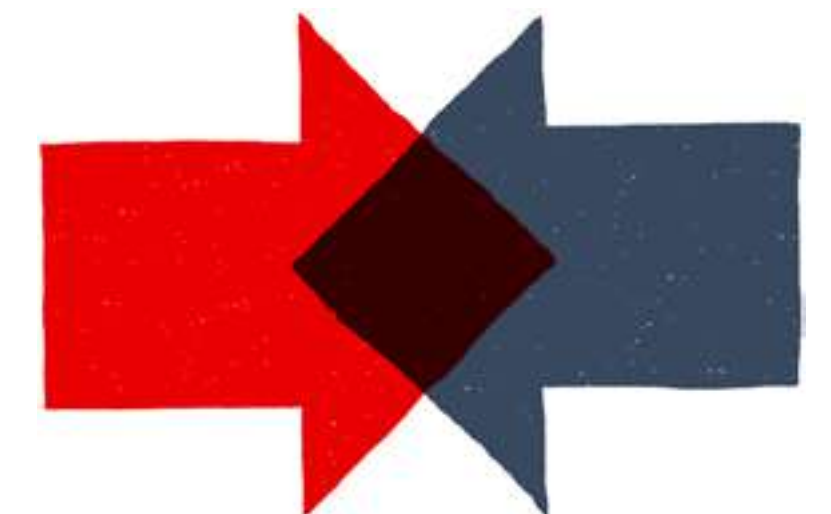
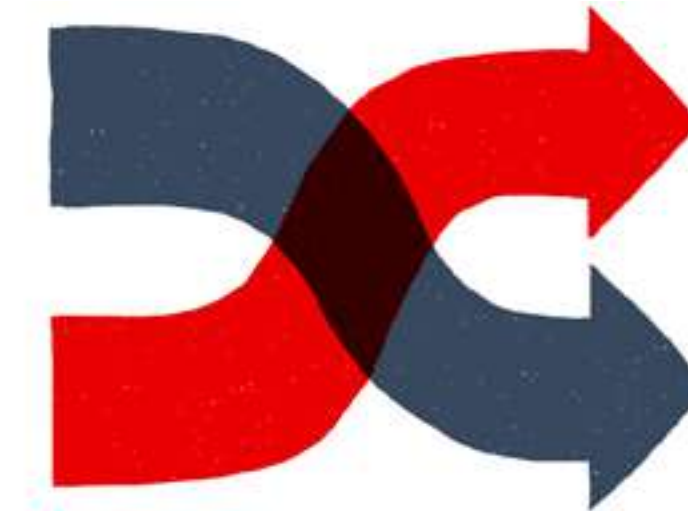
In the run up to the European Parliamentary elections, articles on these issues were published in *Vice* (Serbia), *Balkan Insight*, *EuroZine* and *Are We Europe*. *Culture for Solidarity* is co-funded by the *Creative Europe Programme* of the European Commission.

FundAction

More than 200 members of [FundAction](#) from across Europe decided to award 14 grants for initiatives that are helping to strengthen movements for social change and climate justice.

Two new funders – Lankelly Chase Foundation from UK and Fondation Un Monde par Tous from France – joined the initial founding funders Open Society Initiative for Europe, the Charles Léopold Mayer Foundation, the Guerrilla Foundation and the European Cultural Foundation in this unique funder-activist collaboration.

At the Annual Assembly in France, more than 50 members of *FundAction* shared their knowledge, established collaborations and took decisions on the direction of *FundAction*.



Democracy Needs Imagination Grants

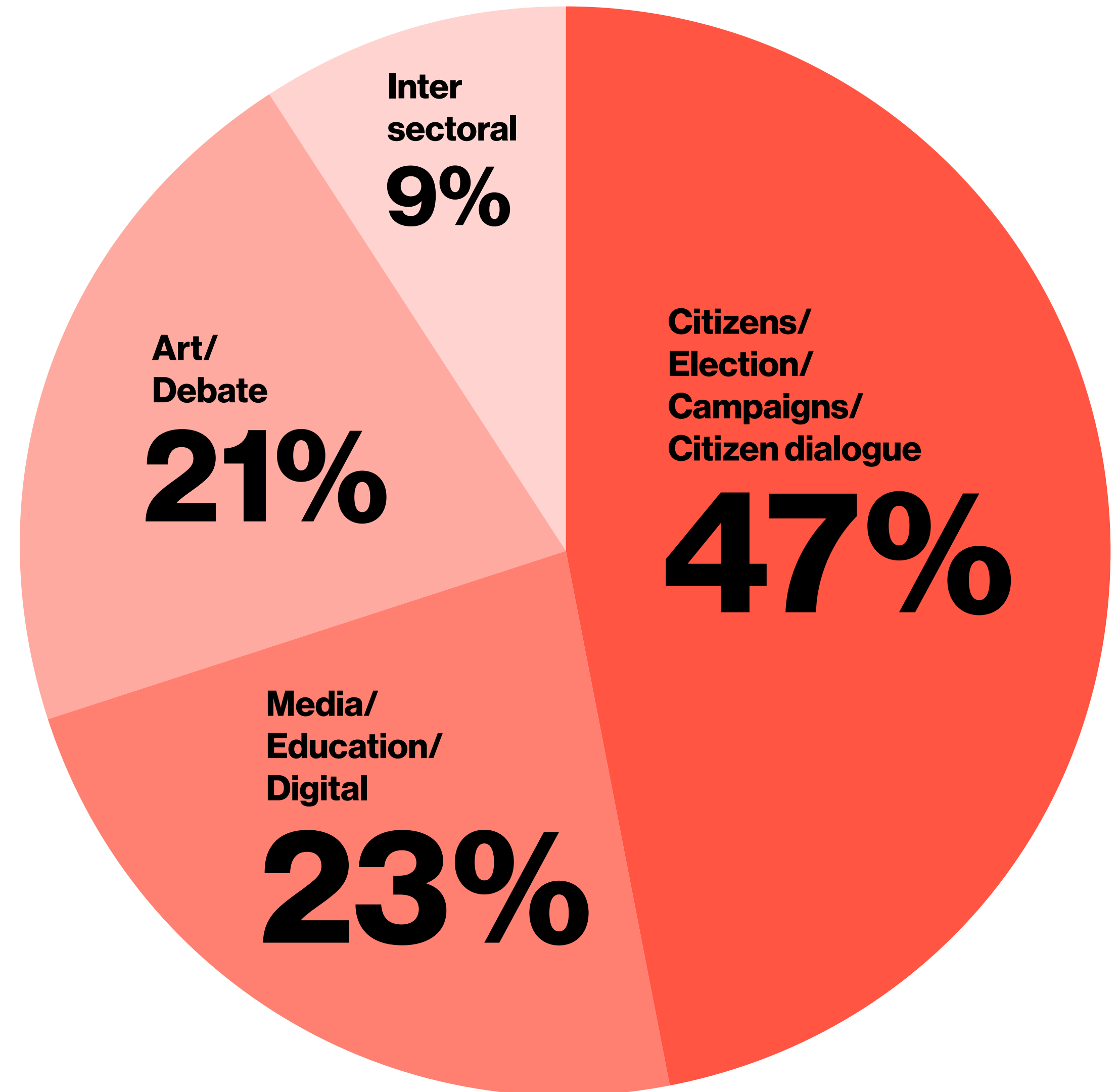
In 2019, we ran two open grant calls under our annual theme – *Democracy Needs Imagination*. Through this, we aim to support people who are working towards European democratic values – people who are fighting for their rights as citizens, for their right to public space and personal freedoms, and for their right to creative expression.

We received around 2,000 applications from 60 countries all over Europe and beyond – an overwhelming response that shows just how much creative and imaginative action is being taken by citizens, cultural actors and campaigners across Europe to mobilise democracy.

The first call in February focused on May's European Parliamentary elections. The second call in October was initiated by the looming Brexit deadline, but was also aimed more generally at those who are working towards a more inclusive, more democratic and more fun Europe.

Nearly 50% of the applications were from people who had not been in touch with the European Cultural Foundation before. We were able to fund 49 projects through these grants, but a much larger community of active Europeans was built as a result of this project. We continue to engage with this community in different ways (community building, awareness raising, new calls for action, publishing, campaigning, etc.).

A total of € 919,365 was spent in 2019 on these grants, which generated €2,200,00 of match income by other donors. We funded four main categories:



Experience Europe

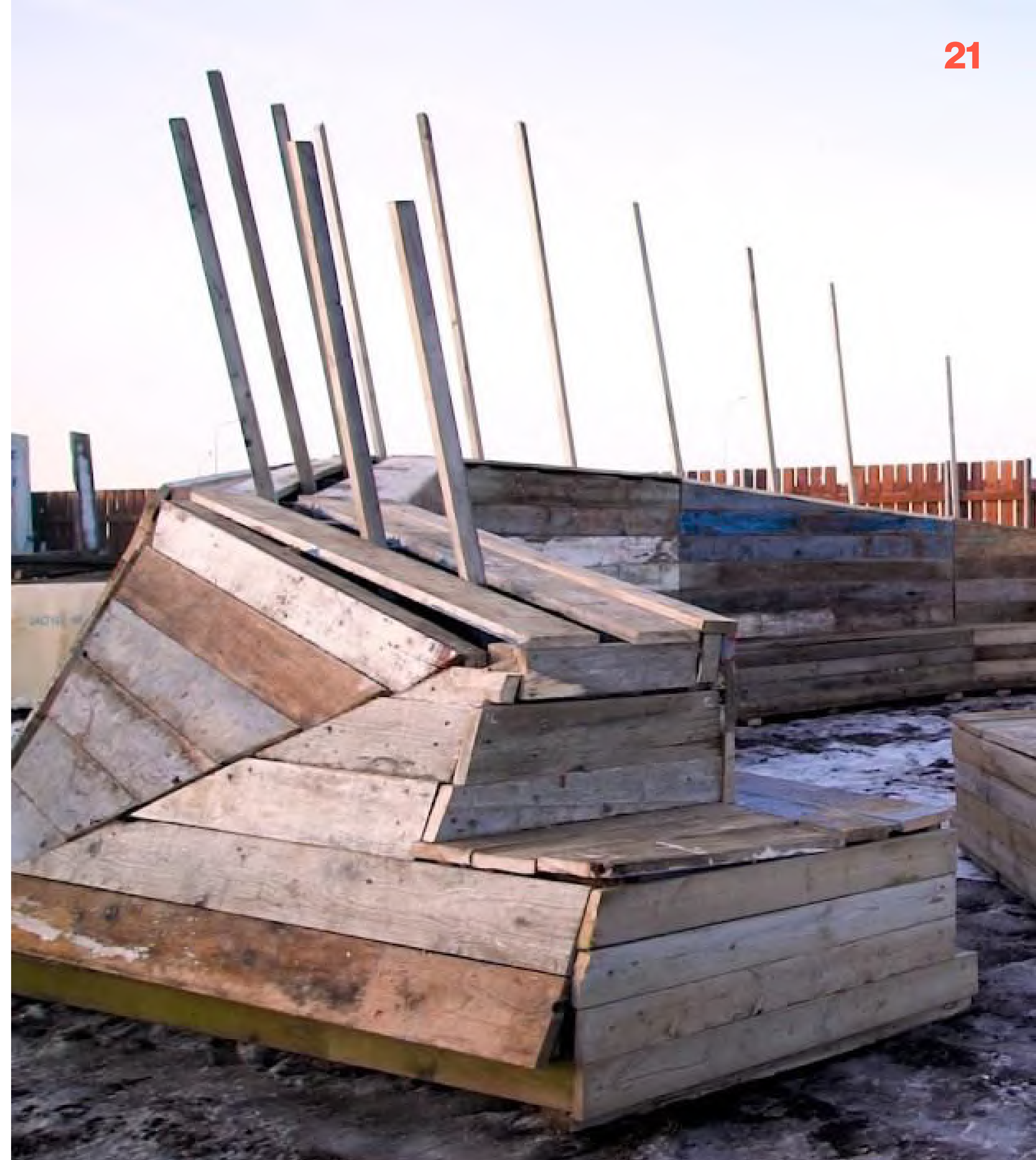
***Experience Europe* creates a European sense of belonging through cultural and educational exchanges of people and practices. It provides tools for European collaboration between citizens and between cultural professionals beyond borders and sectors.**



STEP Travel Grants

STEP stands for ‘Supporting Travel for Engaged Partnerships’. **STEP travel grants** support cultural workers travelling across Europe and neighbouring countries. The fund is initiated and managed by the European Cultural Foundation with the support of Compagnia di San Paolo.

In 2019, 683 people from 48 countries applied for a STEP grant (ranging in value from €250 to €700). 162 applications from 31 countries were supported through the grants, making the success rate 23.7%. This is lower than in 2018, because of a stricter application of our selection criteria. This is due to our new strategic orientation and the EU i-Portunus Platform, which offered cultural mobility opportunities in parallel.



Tandem Cultural Collaboration Programmes

The Tandem Cultural Collaboration Programmes support long-term cooperation, knowledge development and networking opportunities between cultural managers across wider Europe. Together with our core partner MitOst, we deliver all *Tandem* programmes in partnership with Anadolu Kültür, Al Mawred Al Thaqafi – Culture Resource and cultural civil society organisations in Ukraine, Moldova, Bulgaria, Greece, Portugal and Western Balkans.

In 2019, *Tandem* built on ongoing partnerships with Robert Bosch Stiftung, German Federal Foreign Office, Stichting Doen, The Black Sea Trust for Regional Cooperation, Fondazione Cariplo, Stavros Niarchos Foundation and Abu Dhabi Music & Arts Foundation.

We also set up new partnerships with Open Society Foundation and eight European Capitals of Culture.

Programmes 2019

The newly established *Tandem Cultural Capitals* programme offered cultural organisations working in European Capitals of Culture a unique opportunity to put European collaboration strategies into practice. From April to November, 12 new collaboration pairs went through the *Tandem* exchange experience. All cooperation ideas co-designed by participants during this process have successfully secured additional funding and have started to materialise in concrete projects.

The new *Tandem Western Balkans* programme started with a Partner Forum in Belgrade at the end of 2019. This regional *Tandem* edition strengthens long-term collaborations between Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia and Serbia. The main phase of the programme continues in 2020.

Our established *Tandem Ukraine* format worked with an updated methodological and regional Central and Eastern European approach in its fourth edition. Designing collaborations that have an impact beyond existing *Tandem* hubs in Ukraine and involve new initiatives locally was at the heart of this revised programme approach.

The third round of *Tandem Europe* aimed for greater regional outreach as well. The fifth editions of both *Tandem Shaml* and *Tandem Turkey* drew to a close in 2019.

Each year, the *Tandem Community* – networked alumni of all programmes – has the opportunity to apply for a Tandem Mobility Grant. In 2019, 22 alumni received one of these grants.



Tandem Programme Geographical Overview 2019

Includes all active programmes in 2019

General facts

170 organisations from 45 countries, of which:

- 133 organisations participated in a full *Tandem* programme, forming 54 Tandems in total (sometimes trios/quattros)
- 15 organisations only attended the first phase of a programme (Partner Forum)
- 22 organisations — being alumni — awarded with a mobility grant

FACTS PER PROGRAMME	#
Tandem Cultural Capitals	28 Participants 12 Tandems 8 Countries
Tandem Europe III	25 Participants 6 First phase 12 Tandems 22 Countries
Tandem ShamI V	18 Participants 9 Tandems 15 Countries
Tandem Turkey V	20 Participants 5 Tandems 5 Countries
Tandem Ukraine IV	25 Participants 3 First phase 8 Tandems 13 Countries
Tandem Western Balkans	17 Participants 6 First phase 8 Tandems 6 Countries
Tandem Alumni Mobility Grant	22 Alumni

Imagine Europe

Imagine Europe supports initiatives that tell the stories of Europe, its heritage and its future, in the most compelling way – using all forms of cultural expression.



What Can Culture Do? Tour

In early 2019, we organised a multi-European *What Can Culture Do?* tour to listen to feedback from more than a dozen institutions.

The aim was to improve our understanding of the challenges and opportunities facing Europe and what culture and philanthropy can do to address these challenges. What tied the tour stops together was the willingness to think together about what it will take to get Europe back on track, to make it a community of people, a community of culture, a community of shared belonging, and to make Europe part



of the solution of the big challenges the world faces today rather than becoming again a problem for the world as it has so often been in the past. With the insights and feedback from well over a dozen institutions we developed the [Amsterdam Manifesto for Culture](#). The tour also provided crucial input as we developed our [2020-2025 Strategy](#).

65 Years of the European Cultural Foundation: Stories of Europe

To mark the European Cultural Foundation's 65th anniversary, we delved into our history and archives to see what stories we could uncover.

One of the outcomes of this research was [Stories of Europe: 65 Years of the European Cultural Foundation \(1954-2019\)](#). This publication brings together a selection of archival highlights featured alongside essays and reflection pieces written by some of the people who have helped to shape our work over the decades, as well as others we have supported through our programmes.

Stories of Europe was launched during the *ECF Princess Margriet Award for Culture* ceremony, on 2 October 2019.

Polish artist Maria Magdalena Kozłowska was commissioned to mark this launch and put on an operatic performance: an ode to the Foundation's past and future. 1,500 copies of *Stories of Europe* were printed and distributed at the ceremony and sent to our friends, networks and partners.

ECF Princess Margriet Award for Culture

October 2019 marked a special occasion in the Foundation's calendar. The first meeting of the Board of the European Cultural Foundation took place 65 years earlier in Geneva. The anniversary seemed a fitting moment to reflect on our rich and diverse past as well as to map out new, daring paths for the Foundation's future in a staged manifesto. These celebrations took place during our annual presentation of the [ECF Princess Margriet Award for Culture](#).

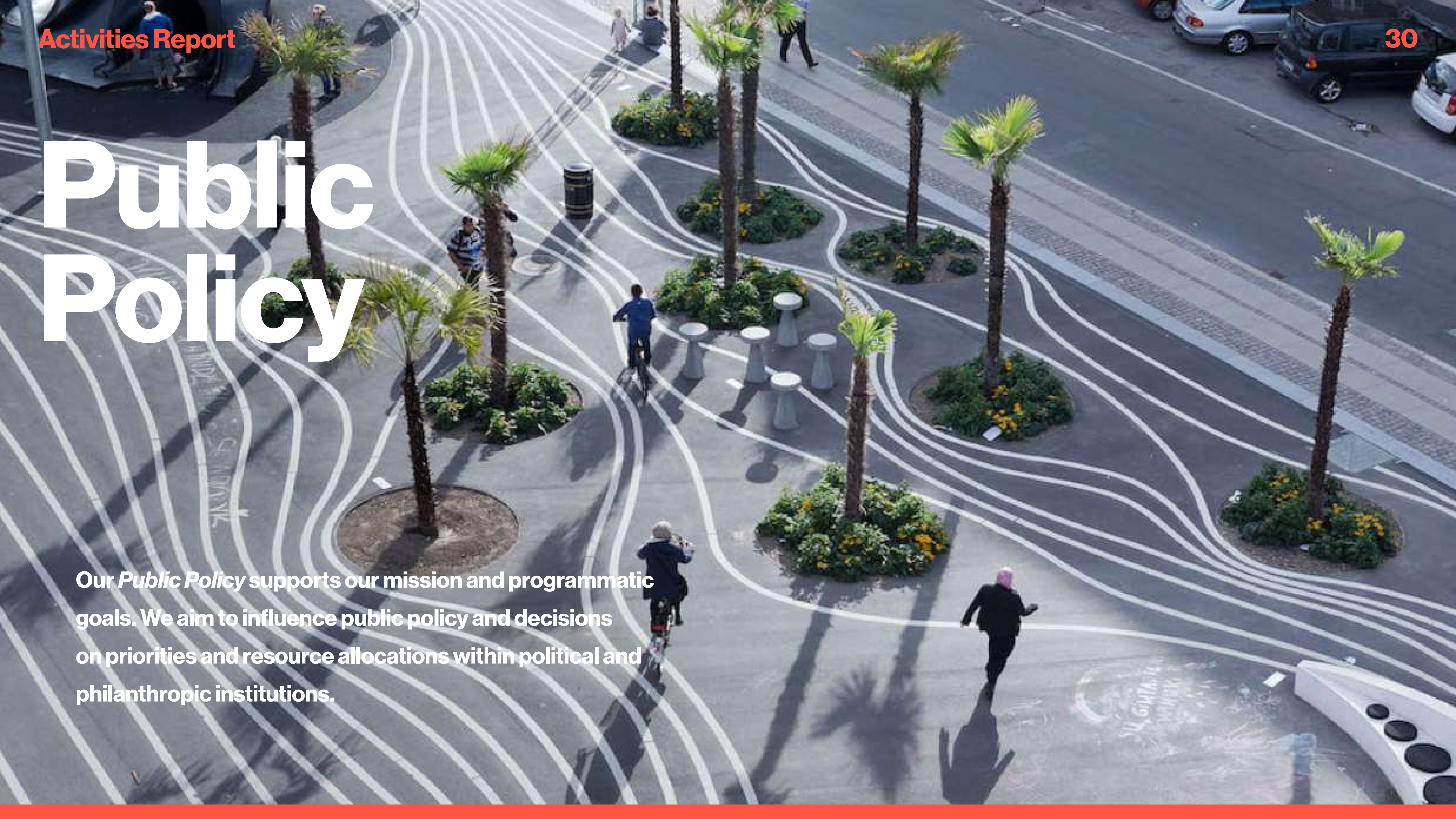
The 11th edition of the Award focused around our annual theme *Democracy Needs Imagination*. From 28 nominations, a shortlist of 12 nominees was chosen from which the independent jury selected writer and cultural activist Ahdaf Soueif and international contemporary arts festival City of Women. Although the 2019 laureates represent distinct cultural approaches, what connects these brilliant, daring and compassionate cultural activists is a relentless drive and creative power that envisions new paths for Europe.

The award ceremony took place in the Meervaart Theatre in Amsterdam with around 300 guests in attendance. Both Teja Reba, representing City of Women, and Ahdaf Soueif made poignant pleas for a future that is fairer and more respectful of all people and the planet that we share, regardless of the obstacles we face.

This year we decided to live stream the ceremony, which was viewed more than 500 times.

Public Policy

Our *Public Policy* supports our mission and programmatic goals. We aim to influence public policy and decisions on priorities and resource allocations within political and philanthropic institutions.



Advocacy

In 2019, our [Advocacy](#) work focused on the European Parliament elections and new European institutional set-up, mobilising the arts and cultural community at large. It was an important year to make sure the voice of culture was heard, particularly with respect to the EU's future budget (Multi-annual Financial Framework 2021-2027).

Our [Cultural and Creative Spaces and Cities \(CCSC\)](#) policy project, co-funded by the EU and led by Trans Europe Halles, picked up momentum by exploring innovative participatory policymaking for cities and regions.

Vote for Europe!

In the run up to the 2019 European Parliament elections, we mobilised partner networks, stakeholders and citizens across Europe to cast their vote and participate through special actions. We launched a mobilisation and awareness raising campaign, in sync with the *Democracy Needs Imagination* first call for action and [#democracynedsimagination](#). We also supported the European Parliament's public campaign [#ThisTimeImVoting](#).

#Double4Culture and 1% for culture campaign

Together with Culture Action Europe (CAE), we called for the doubling of the EU's Creative Europe budget (from €1.46 billion to €2.80 billion for seven years), and the allocation of 1% of the EU's next budget (MFF 2021-2027) to culture across policy fields and funding programmes.

European Commissioner for Culture

We campaigned with partners for culture to gain a strong and visible place in the new European Commission, including a Commissioner with explicit responsibility for culture. The joint campaign resulted in a title change. Commissioner Mariya Gabriel is now Commissioner for Innovation, Research, Culture, Education and Youth.

Act for Europe Through Culture

Together with Culture Action Europe, and in cooperation with the European Heritage Alliance 3.3 and BOZAR, the European Cultural Foundation organised the policy debate Act for Europe Through Culture in September in Brussels. Conceived as a first meet and greet between the newly elected European Parliament members and the cultural and creative sector, the event brought together more than 100 participants and paved the way for sustained dialogue. This also led to a first joint advocacy action, [Bring back culture, Ms. President!](#), calling together for a European Commissioner for Culture.

Europaplatform

Together with Kunsten '92 and Culture Action Europe, we founded the Europaplatform to bring a stronger European dimension into Dutch policies, and advocate for culture across policy sectors. There was a notable first success: The platform highlighted the importance of EU cultural policies in [a letter](#) to the Dutch Minister of Culture, who recognised this in the new [Cultural Policy letter 2021-2024](#).

Lost in Media debate and book launch

The European Parliament debate (6 November 2019) organised in partnership with Hello Europe/Ashoka, and hosted by MEPs Dragoş Tudorache and Damien Carême, provided new ideas for European policymaking regarding self-representation of migrants and refugees in the media.

The Good Lobby Award

The European Cultural Foundation received [The Good Lobby Award](#) for Philanthropist of the Year in 2019. The Good Lobby Award is an annual celebration of projects, initiatives and campaigns led by citizens and advocacy collaborations that are committed to lobby for change.

Cultural and Creative Spaces and Cities

Cultural and Creative Spaces and Cities (CCSC) explores how participatory governance, cultural and commoning practices can devise a more sustainable future for Europe.

CCSC kicked off with a conference on 4 April in Brussels with more than 100 participants who came together to launch a two-year exploring-learning-research project involving cultural and creative spaces and policymakers. We shared our vision of creating more bottom-up policymaking in cities and at the EU level by including communities in the design process to provide outside-the-box solutions and strengthen democratic legitimacy.



Cultural Diplomacy Platform

Since 2016, we have been part of a consortium supporting the EU institutions in the implementation of the EU Strategy for international cultural relations.

In partnership with the Goethe-Institut Brussels (lead), Institut français, British Council, BOZAR and EUNIC, the Foundation has been implementing the [Global Cultural Leadership Programme](#) (GCLP).

Each year, 40 emerging cultural managers from Europe and ten EU partner countries worldwide have participated in week-long global learning and networking experiences. In October 2019, 95 peers from around the world attended the fourth and final GCLP edition in Brussels, which we organised as a final gathering of alumni providing for follow-up brainstorming on global cultural relations with EU officials.

Evaluation, Monitoring & Impact Assessment

The evaluation of responses to our 2019 Democracy Needs Imagination (DNI) call showed that citizens are highly motivated to contribute to political thinking and action. With a record number of applications received (nearly 2,000) and the quality of proposals assessed, the DNI call proved its relevance to individuals and communities from across Europe.

As our *Youth & Media* programme came to an end in 2019, we carried out an evaluation to learn, harvest the best results and inform our new strategy for 2020-2025.

The Force of Art

We continued our collaboration in the research project *The Force of Art: Research from a Global Perspective*, carried out in partnership with the Prince Claus Fund for Culture and Development and Hivos (2018-2020). 15 research teams (31 researchers in total) from 11 countries received a grant of €10,000 each to investigate the ways in which art and culture affect people and their social environments in 40 cases/projects. The research results will be presented at a concluding conference in Amsterdam and a publication in autumn 2020.

Communications

Vote for Europe.

20 dae mayo

Głosujmy na Europe.

26 26
May Mai

Да гласуваме заедно.

Да гласуваме за Европа.

26
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Communications are an essential part of our tool kit and support our vision and programmatic goals.

Votiamo insieme.



Communications

Our communications are there to publicise and raise awareness of the Foundation's work more broadly.

In 2019, five areas of activity stood out:

- We generated specific attention for the annual theme *Democracy Needs Imagination* and its two open grants calls.
- In October, we marked the 65th anniversary of the Foundation, which coincided with the celebration of the *ECF Princess Margriet Award for Culture*.
- We ran campaigns to get people to vote in the elections, aligned with our DNI call.
- Also supported photographer Nico Bik with his photo series on European Parliaments.
- Hosted live-events. Some of them resulted in podcasts, as for example the episodes 45 and 46 of *Another Europe is Possible*.

The 65th anniversary gave rise to the *Stories of Europe* project – delving into the rich ECF archives and legacy to design visions for the future. This was brought together in [a publication](#) and provided the backdrop for the event, which also brought the forward-looking [Amsterdam Manifesto for Europe](#) to the stage.

Broadening and growing our audience through new channels was successful, as our statistics show – for example, the number of visitors to our website was up 22% on the previous year. The large number of grant applicants who indicated that they had not heard of the Foundation before also confirmed that our messages are getting out to new audiences.

Alongside the regular annual report, we produced the first edition of an [Annual Magazine](#), including interviews, essays and other great stories by our networks.

SOCIAL MEDIA	#	GROWTH IN %
Facebook 2018	32,812	21%
Facebook 2019	41,735	
Twitter 2018	8,153	9.40%
Twitter 2019	9,004	
Instagram 2018	2,473	45.70%
Instagram 2019	4,558	
WEBSITE		
Unique visitors 2018	163,000	22.70%
Unique visitors 2019	200,00	
Page views 2018	311,000	40.60%
Page views 2019	437,000	



Grants and Partnerships Overview

The European Cultural Foundation awards grants, either through open calls or through targeted partnerships, in all budget areas. The following overview is presented by programme.

SHARE EUROPE	€
Democracy Needs Imagination Grants (list of grants awarded p. 42)	919,365
R&D grants 2018 – amendment R&D grant We Make Places	1,643
<i>Public Sphere</i>	
Participatory Fund for Activists, Edge Funders Alliance, Belgium	40,000
Culture for Solidarity	
Zemos98 (Spain), total grant award of € 50,000 (2019 part)	38,240
Krytyka Polityczna (Poland), total grant award of € 50,000 (2019 part)	9,509
Grant to Zemos98, Spain, Commonspoly	16,000
MediActivism Erasmus+	
Zemos98, Spain	39,364
Fanzingo, Sweden	40,170
Kurziv, Croatia	20,890
Les Têtes de L'Art, France	22,325
Stanislaw Brzozowski Assoc. (Krytyka Polityczna), Poland	21,582
Media Activism publication, Valiz books and cultural projects, The Netherlands	17,225
TOTAL SHARE EUROPE	1,186,313

EXPERIENCE EUROPE	€
STEP Travel Grants	71,900
Tandem	
Tandem Europe III	292,000
Tandem Fryslân	1,215
Tandem Shaml V	114,622
Follow-up Shaml V + Turkey V	50,000
Tandem Western Balkans	170,000
Tandem Community Development	60,000
Tandem Cultural Capitals	16,800
TOTAL EXPERIENCE EUROPE	776,537

IMAGINE EUROPE	€
ECF Princess Margriet Award for Culture	50,000
The Bridge Magazine, Albania - in memory of Borka Pavićević	3,000
TOTAL IMAGINE EUROPE	53,000

POLICY ACTIVITIES	€
R&D Actions / Evaluation & Impact	10,000

GRANTS AND PARTNERSHIPS TOTAL	€
Total Share Europe	1,186,313
Total Experience Europe	776,537
Total Imagine Europe	53,000
Total Policy Activities	10,000
TOTAL	2,025,850

Democracy Needs Imagination Grants

Media – Education - Digital

LARP for a European Community, Hellenic Youth Participation ^{Greece}
 In Europe School, VPRO ^{the Netherlands}
 The Europeans, Katy Lee ^{France}
 Democracy Needs Queer Freedom, East Street Arts ^{United Kingdom}
 Youth Seminar 'Gather up!', Youth of European Nationalities ^{Germany}
 Privacy Camp 2020, European Digital Rights ^{Belgium}
 To Second European Languages/They Do Europe in Different
 Languages, Nausikaa Angelotti ^{Italy}
 Sisters of Europe – 2, Prune Antoine ^{Germany}
 The Citizens' Handbook for Building Democracy Beyond Borders,
 European Alternatives ^{Germany}
 Europe Reloaded, Alexander Damiano Ricci ^{Italy}
 IDFA Festival 2019, IDFA ^{the Netherlands}

Citizen – Elections – Campaigns – Citizen Dialogue

Designing Democracy, YENİDÜZEN ^{Cyprus}
 A pen for Europe to ACT, REACT, IMPACT, Louvranges Broadcast ^{Belgium}
 Me For You, Stefan Prohorov ^{Bulgaria}
 Now the Citizens, Meer Democratie ^{the Netherlands}
 Proposals for Europe - Voulez-vous voter avec moi?
 Tadel Verpflichtet e.V ^{Germany}
 Women Care – Women Vote, Forum 50% o.p.s ^{Czech Republic}
 Tu Was Für Europa ^{Germany}

Vote now, argue later, Keep it Complex – Make it Clear ^{United Kingdom}
 The Future is Europe aka #EUSupergirlTour, Madeleina Kay ^{United Kingdom}
 Voting for Values, De Balie ^{the Netherlands}
 Another Europe is Possible ^{United Kingdom}
 Hart boven Hard, De Goede Zaak ^{the Netherlands}
 Vote together, Between Bridges ^{Germany}
 #ProveThemWrong, Stichting Are We Europe ^{the Netherlands}
 EscapeFake: de-bunking fake news about
 the European Parliamentary, Polycular ^{Austria}
 Scotland in Europe, Effie Samara ^{United Kingdom}
 Narratives & Framing Project, WeMove ^{Germany}
 Creating Space for Democracy, Literally,
 the Institute of Urban Politics ^{Serbia}
 Democracy needs imagination! Imagination needs care!,
 Commonpolis Association ^{Spain}
 Citizen Participation University (CPU), European Community
 Organizing Network (ECON) ^{Czech Republic}
 We the People - A Citizens Convention to Remake Democracy,
 Compass ^{United Kingdom}
 Gaming for the Commons, Stichting Waag Society ^{the Netherlands}
 Forum on European Culture,
 Stichting Forum on European Culture ^{the Netherlands}
 Conversation Festival Lampa ^{Latvia}

Art - Debate

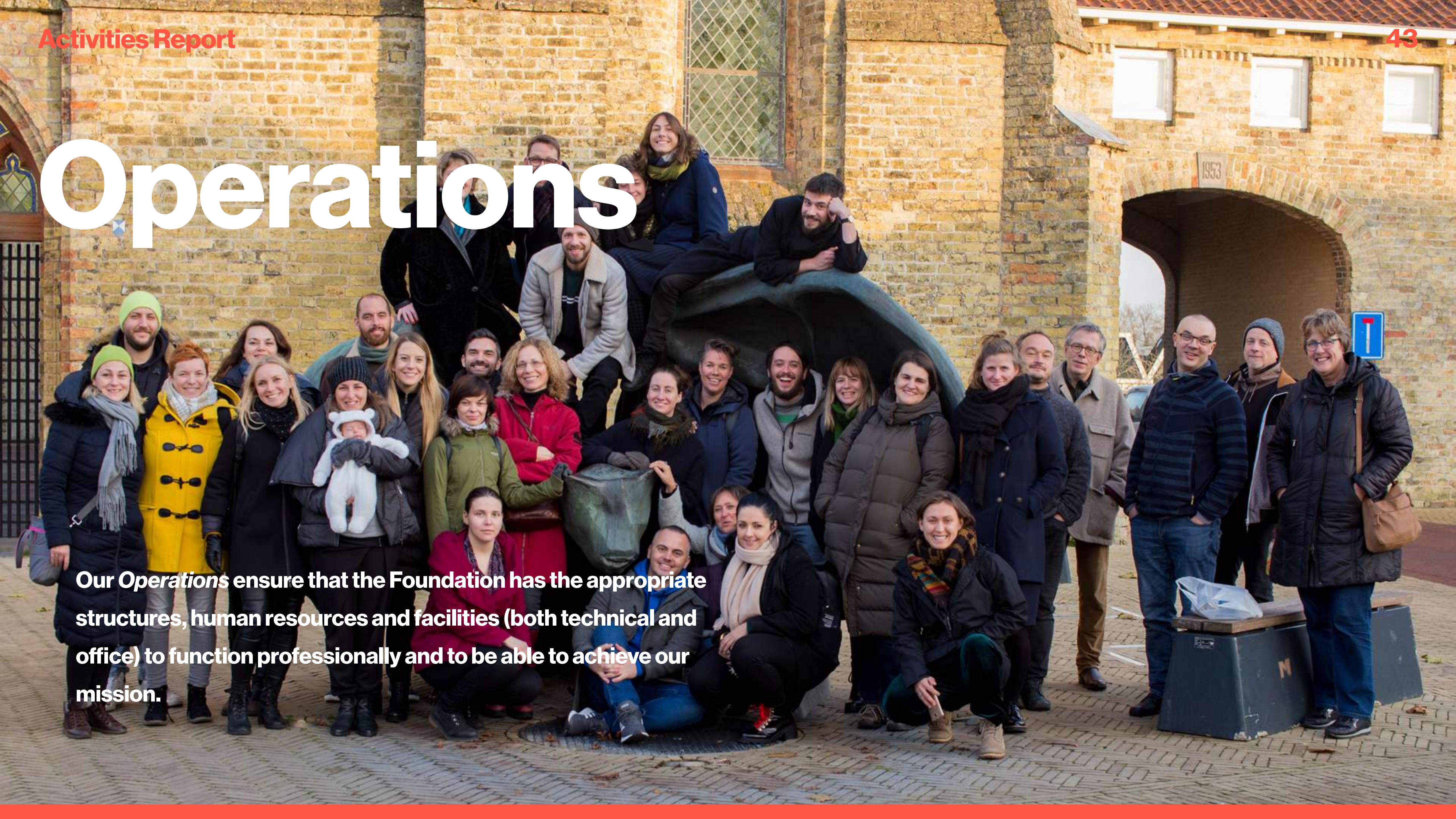
Europe Talks, Zeit Online ^{Germany}
 Stockhausen Sin {x} II, Stichting Holland Festival ^{the Netherlands}
 In Nuovo Vangelo – The New Gospel, by IIPM –
 International Institute of Political Murder ^{Germany}
 European Songbook, Goethe-Institute ^{Norway}
 EU2019:target democracy, Fondazione Giangiacomo Feltrinelli ^{Italy}
 Building an influencer network of independent comedians
 improving social awareness, Oditech-Studio Kft./Kraftwork ^{Hungary}
 Trial Europe, Les Têtes de l'Art ^{France}
 Reinventing Society, Escautville vzw ^{Belgium}
 Amateur Politician - a new musical about democracy,
 Tess Seddon ^{United Kingdom}
 European Manifesto for Roma Cultural Inclusion, European Roma
 Institute for Arts and Culture (ERIAC) ^{Germany}

Inter sectoral

Agora Europe, Hostwriter ^{Germany}
 #IfWeDidThis - a campaign to rejuvenate our democracy,
 RECLAIM Project ^{United Kingdom}
 Radical imagination residencies, Ideas Factory Association ^{Bulgaria}
 Reimagining Democracy in Eastern Europe after 30 Years of Transition,
 Stichting Transnational Institute (TNI) ^{the Netherlands}

Operations

Our Operations ensure that the Foundation has the appropriate structures, human resources and facilities (both technical and office) to function professionally and to be able to achieve our mission.



General Administration

Human Resources

In 2019, we reviewed our organisation according to our 5-year strategy. We introduced a structure that is organised along five departments: Programmes, Public Policy, Communications, Finance and Operations. The Heads of Department and the Director form the Management Team. Within our teams, we made an effort to better align skills and positions and encouraged staff to take on new responsibilities. By not replacing all vacant positions – resulting in seven joiners vs. ten leavers – we decreased our staff costs considerably and made room for existing staff to expand their work portfolios.

Through our new recruits, we have improved the diversity of our staff in terms of age, gender and cultural background. We currently have 30 employees with a full-time equivalent staff of 25.75. We also invested in staff wellbeing, adequate workspaces and IT equipment, and managed to bring our illness statistics further down, from 5.04% to a healthy average of 2.72%.

Integrity Policy

As a member of Goede Doelen Nederland (GDN), we comply with all the necessary codes and guidelines, including the SBF-code for good governance and the ‘Erkenningsregeling Goede Doelen’.

In line with the updated GDN requirements, we have set up a working group to streamline existing policies and introduce new measures resulting in a comprehensive Integrity Policy.

Our current control mechanisms to prevent professional misconduct, abuse of power and financial violations (see also Declaration of Responsibility) will be complemented by measures related to interpersonal conduct. In 2020 we will work on those and on overall integrity awareness of our staff.

General Data Protection Regulation (GDPR)

In 2018, the Foundation developed its Privacy Policy, outlining the principles for collecting and using personal data. In June 2019, our Privacy Statement was published on the website and can be found [here](#).

Governance

Report by the Chair of the Supervisory Board

The European Cultural Foundation makes a clear distinction between supervision and management but is very keen on their narrow cooperation and common deliberation on the main issues and challenges faced by the Foundation. The Supervisory Board oversees the proper execution of the Director's managerial responsibilities.

The Supervisory Board's main responsibilities can be summarised as follows:

- deciding upon and evaluating the Foundation's strategy as drafted by the Director, and prioritising its activities
- evaluating the efficient use of the Foundation's resources (approval of budget and Annual Report)
- appointing the Foundation's Director, members of the Supervisory Board and the President.

2019 was a special year in relation with the beginning of the new director's mandate, who took office on 15 November 2018. In this context, three Supervisory Board meetings took place respectively on 28 May (Amsterdam), 9 September (Paris) and 13 December (Amsterdam).

The topics discussed focused on a number of items, including:

- approval of 2018 Financial report and Annual report
- approval of the updated 2019 Budget and the updated Workplan 2019 to implement i.a. the new *Democracy Needs Imagination* grants call.
- discussion and approval of a new strategic plan for 2020-2025
- approval of the update of the By-laws in line with the 2018 update of the Articles of Association
- decisions on Supervisory Board development and Audit Committee membership
- relationship with Prins Bernhard Cultuurfonds
- major events i.a. the celebration of 65th anniversary of the Foundation and the *ECF Princess Margriet Award for Culture*
- exchange with the staff representation group ('Personeelsvertegenwoordiging'/'PVT')
- self-evaluation by the Supervisory Board

Supervisory Board development and Audit Committee membership

The Supervisory Board continued the discussions on membership development. On 13 December 2019 the Supervisory Board welcomed as its new member Andrea Silvestri (It.) who has agreed to join the Foundation's Audit Committee. The Supervisory Board is committed to continue the search in order to admit two further members in 2020 and prepare for the replacement of four members, including the Chair, whose mandates end in 2021.

Relationship with Prins Bernhard Cultuurfonds

Thanks to a long-standing agreement between the Prins Bernhard Cultuurfonds (PBCF) and the European Cultural Foundation, PBCF provides the Foundation with 25% of its non-earmarked lottery income. To enhance the good relations and continuously explore avenues for collaboration, PBCF and the Foundation are represented on each other's

respective Supervisory Boards by an advisor. In 2019 the Supervisory Boards of the two organisations set out to evaluate the cross-representation on each other's Supervisory Boards to ensure balance and optimal exchange of expertise.

Major events

The Foundation celebrated its 65th anniversary in 2019. Together with the 11th edition of the *ECF Princess Margriet Award for Culture* this was celebrated on 2 October 2019 in Amsterdam. The Supervisory Board continued its special focus on the exploration of the potential of the Award. Options for collaboration with other players, such as the major European foundations in the cultural and philanthropic fields and the European institutions, have been discussed during a special meeting in the Hague at the ECF President's invitation on 6 June 2019. This process will be deepened in 2020.

Exchange with the Staff Representation Group

(‘Personeelsvertegenwoordiging’/‘PVT’)

At the 28 May Amsterdam meeting the Supervisory Board met with the Foundation’s staff representation group in a confidential and informal exchange about the new context and management of the Foundation.

Self-evaluation of the Supervisory Board

The Supervisory Board is committed to an annual self-evaluation, which was duly completed on 13 December 2019.

Christophe de Voogd

Chair of Supervisory Board, European Cultural Foundation



Declaration of Responsibility

The European Cultural Foundation is an independent foundation working for a united Europe. We promote a European sentiment through culture, by developing and supporting initiatives that let us share, experience and imagine Europe.

Status

The European Cultural Foundation has the ANBI 'Algemeen Nut Beogende Instelling' status, meaning that the Foundation's objective is to improve the wellbeing of the general public. This status comes with tax benefits for donors. Since our objectives are fully related to culture, we were granted Cultural ANBI status. This status comes with

additional tax benefits for donors. The European Cultural Foundation itself is not tax exempt.

Our RSIN 'Rechtspersonen en Samenwerkingsverbanden Informatienummer' / Fiscal number is: 002967327.

Our Chamber of Commerce number is: 41199699.

Since July 2014, the European Cultural Foundation has also held the CBF 'Centraal Bureau Fondsenwerving / Central Bureau for Fundraising organisations' keurmerk (seal of approval) for fundraising organisations.

Articles of Association

The European Cultural Foundation adheres to its Articles of Association and its By-Laws. The current versions of both were approved by our Supervisory Board, on 17 December 2015 and 28 May 2019 respectively. Together with the Supervisory Board we assess on a regular basis whether these documents are still accurate; if necessary, they are reviewed and updated. The latest version of our Articles of Association is deposited at the Dutch Chamber of Commerce.

Income

The European Cultural Foundation has three main sources of income:

1. Income from the lotteries

Through a long-standing agreement with the Prins Bernhard Cultuurfonds, renewed most recently on 2 February 2012, the Foundation receives 25% of the Prins Bernhard Cultuurfonds' non-earmarked lottery income.

2. Fundraised income

The European Cultural Foundation receives funding from commercial, non-profit and government institutions. We actively pursue these opportunities. Not all income received from the above-mentioned parties is considered fundraised income, according to the definition of the CBF.

3. Income from ECF's securities portfolio

The European Cultural Foundation has a reserve in the form of a securities portfolio, which is externally managed by an asset manager. Our ambition is to cover our overhead expenses with the income generated through this securities portfolio.

Furthermore, this securities portfolio acts as a buffer, allowing the organisation to continue operating for a limited period of time in case there is a drop in income.

Codes, rules and guidelines

As a member of Goede Doelen Nederland, the European Cultural Foundation complies with all the necessary codes and guidelines, including the SBF-code for good governance and the ‘Erkenningsregeling Goede Doelen’.

[Full overview of the Goede Doelen Nederland codes, rules and guidelines](#)

In line with this, we adhere to the following three principles:

1. A clear separation between the roles of:
 - a. Management (ECF’s Director)
 - b. Supervision (ECF’s Supervisory Board)
 - c. Execution (ECF’s employees)
2. Optimising interaction with stakeholders
3. Optimising effectiveness and efficiency of expenditure

1. A clear separation between management, supervision and execution

The European Cultural Foundation makes a clear distinction between management, supervision and execution. The Director is appointed and supervised by the Supervisory Board. While the Director has managerial responsibilities, the Supervisory Board oversees the proper execution of these responsibilities. The carrying out of day-to-day tasks is performed by the Foundation's employees.

a. Management

Director's responsibilities

The European Cultural Foundation's management consists of one Director. The Director is responsible for representing the Foundation, and carries the responsibility for overall management, strategic

development, execution of the Foundation's strategy, management of the Foundation's resources (human and monetary) and fund development.

At least twice a year, the Director formally reports to the Supervisory Board in a meeting in which the Director, the Supervisory Board and the Head of Finance are present. More regular and informal contact is maintained outside these meetings with individual members of the Supervisory Board. Every week, the Director meets with the Management Team (MT) to discuss strategic matters as well as to monitor activities and operational matters. The MT consists of the Head of Finance, Heads of Programmes, Head of Public Policy, Head of Communications and Head of Operations.

Director

André Wilkens is Director of the European Cultural Foundation. He was appointed on 15 November 2018. Prior to this appointment, André Wilkens held the following positions:

- Managing Director, Die Offene Gesellschaft, Berlin ⁽²⁰¹⁶⁻²⁰¹⁸⁾
- Director, Mercator Centre, Essen / Berlin ⁽²⁰⁰⁹⁻²⁰¹⁵⁾
- Head of Strategic Communications, UNHCR, Geneva ⁽²⁰⁰⁹⁾
- Director, Open Society Institute, Brussels ⁽²⁰⁰³⁻²⁰⁰⁹⁾
- Director, Ogilvy & Mather communications agency, Brussels ⁽¹⁹⁹⁹⁻²⁰⁰³⁾
- Programme Manager, European Training Foundation, Turin ⁽¹⁹⁹⁴⁻¹⁹⁹⁹⁾
- Programme Manager, European Cooperation Fund, Brussels ⁽¹⁹⁹²⁻¹⁹⁹⁴⁾
- Assistant to MEP, European Parliament, Brussels ⁽¹⁹⁹¹⁾

Additional roles

Board Chair, Tactical Tech, Berlin ^(Member since 2015, Chair since 2017)

Founder / Board Member, Initiative Offene Gesellschaft ^(since 2016 / since 2018)

Founding member, European Council of Foreign Relations ^(since 2007)

b. Supervision

Supervisory Board's responsibilities

The Supervisory Board is the European Cultural Foundation's supervisory body. The roles and responsibilities of the Supervisory Board members are stated in the Foundation's Articles of Association and By-Laws.

The main responsibilities can be summarised as follows:

- deciding upon and evaluating the Foundation's strategy, and prioritising the Foundation's activities
- evaluating the efficient use of the Foundation's resources (approval of budget and Annual Report)
- appointing the Foundation's Director, members of the Supervisory Board and the President.

Supervisory Board Members

At the end of this document, we have published a list of additional roles and responsibilities per Supervisory Board member.

- HRH Princess Laurentien of the Netherlands (President)
- Christophe de Voogd (Chair)
- Rien van Gendt (Vice-Chair)
- Rob Defares (Treasurer)
- Isabel Alçada
- Mária Hlavajová
- Nike Jonah
- Andrea Silvestri (from 13 December 2019)
- James Kennedy
(Advisor representing Prins Bernhard Cultuurfonds)

Recruitment

Appointments for the European Cultural Foundation's Supervisory Board are based on a number of core criteria, including expertise, international perspective, cultural, regional and demographic diversity, and a European network. Additional functions should be of value and should not lead to conflicting interests. In case of upcoming vacancies, candidates are put forward by the Supervisory Board, the Director and the staff of the Foundation from their extended network.

Evaluation

In 2014 the Supervisory Board started self-evaluating, in line with #8 of Article 11 of the Foundation's Articles of Association. The annual evaluation is performed based on a list of questions that were developed by the Supervisory Board members.

Remuneration

The Supervisory Board members do not receive remuneration for their work for the European Cultural Foundation. However, expenses incurred for travel etc. are reimbursed on request.

The Executive Committee and the Audit Committee

The Executive Committee consists of the Chair, Vice-Chair, Treasurer and Director. The Executive Committee meets at least twice a year. Their mandate is to help prepare Supervisory Board meetings, lay the groundwork for making decisions and offer guidance to the Director.

The Audit Committee consists of the Director, the Vice-Chair, the Treasurer and one more Supervisory Board member.

President

The President holds an extraordinary, non-voting membership of the Supervisory Board and plays an active and visible role as specified in the Articles of Association. Since 12 May 2007 the President of the European Cultural Foundation is HRH Princess Laurentien of the Netherlands.

Term

The term for Supervisory Board members is four years, renewable once (maximum 8 years), and for Executive Committee members renewable twice (maximum 12 years).

Conflicts of interest

Supervisory Board members are required to inform the Chair immediately of any activities, contracts / grants, etc. that could lead to a potential conflict of interest. Potential conflicts of interest are declared at each Supervisory Board meeting. The Chair will decide whether the Supervisory Board member will need to leave the room during

particular discussions, or while a decision is being taken on a specific matter.

In addition, all Supervisory Board members are required to sign a statement to declare their endorsement of the principles stated at the beginning of this document and confirming that there is no conflict of interest between the responsibilities they fulfil for the European Cultural Foundation and other relationships / positions they hold. This declaration is a requirement of the CBF seal of approval.

c. Execution*Employees' responsibilities*

The MT, together with their respective teams, is responsible for the implementation of the Foundation's strategy, as well as development and execution of the Foundation's activities, procedures and policies.

2. Optimising interaction with stakeholders

Donors

The European Cultural Foundation's largest donor is the Prins Bernhard Cultuurfonds (PBCF). Every quarter there is a meeting between the two organisations' directors and key staff to discuss strategy, operational activities, possibilities for exchange of information / knowledge, and collaboration.

The European Cultural Foundation receives funding from a number of different sources. An overview of all amounts received per source is included in the Foundation's annual accounts. The European Cultural Foundation maintains good and regular contact with all of these organisations at a director and programme level.

Grantees

The recipients of European Cultural Foundation grants represent the future of culture in the regions where the Foundation is active. They are the Foundation's eyes and ears in the regions. The European Cultural Foundation maintains contact with a large number of grantees through its network and social media channels. Additionally, some grantees become partners or participants in other ECF projects, become contributors to one of our publications, or (successfully) apply for another grant.

Partner organisations

In order to make optimum use of each other's resources (staff, expertise, network, etc.), the European Cultural Foundation often undertakes projects with one or multiple NGO project partners. For all strategic partnerships, please see the Activities Report and Financial Report.

For all partnerships, a contract is agreed and evaluation mechanisms are in place. An example of such an evaluation mechanism is the narrative and financial reporting done at the end of a project before the receipt of the final instalment of the Foundation's monetary contribution.

The European Cultural Foundation's communication with our project partners is ongoing, with regular updates about new developments and potential for collaboration. This contact is at different levels, with directors meeting more formally, and programme managers having more frequent and informal contact, concerning the contents and progress of a project.

Employees and their Representation Group

Our most valuable asset is our staff. The team is motivated, dedicated and driven to making a difference. Clear communication with our team is of utmost importance. We are a small team and communication / reporting lines are short. We keep everyone updated on issues relevant to the Foundation through regular team meetings, we have an internal newsletter and full staff meetings are held on a regular basis.

The European Cultural Foundation uses a confidential advisor to support employees if they are dealing with unwanted behaviour in the workplace (sexual intimidation or harassment, discrimination, bullying, aggression or violence). The European Cultural Foundation will not tolerate these kinds of behaviour. As well as a Grievance Procedure, the Foundation has described a Whistleblowing Policy and accompanying procedures in the Staff Manual.

The Foundation has a ‘Personeelsvertegenwoordiging’ (PVT; employee representation group), consisting of three to four elected staff members.

The PVT has quarterly meetings with the Director and Head of Operations. Its aim is to ensure discussion and dialogue between management and staff on a regular basis.

The Supervisory Board has agreed to meet, in the context of the Supervisory Board meeting that approves the Annual Report, with the PVT each year to reflect on the past year.

3. Optimising effectiveness and efficiency of expenditure

The European Cultural Foundation manages a wide range of instruments to monitor the effectiveness and efficiency of our expenditure. The most important instruments we use are mentioned below.

Monthly reporting

A monthly financial report can be generated automatically through a link with our accounting system (Exact). Budget managers have real-time, online access to these reports.

Quarterly reporting

Each quarter, a management report is compiled providing ample information about the Foundation's income, expenditure and balances. It provides analysis against budgets and explanation on project expenditure. Additionally, it gives an estimate of the expected expenditure for the full year. The quarterly reports are shared with the Treasurer, the Supervisory Board, all ECF budget holders and the management of the Prins Bernhard Cultuurfonds.

Contractual obligations

Each quarter an overview is compiled representing all outstanding, contractual obligations at the end of the quarter. These are shared with all budget managers for monitoring and analysis.

Ad hoc reporting

On a regular basis ad hoc reports (internal and external) are generated for specific projects or cost codes in order for the managers of these projects / the Finance team to analyse expenditure.

Reporting guidelines

There are clear reporting guidelines for grantees, which are agreed in the contracts. Only upon receipt of a report that shows the agreed progress and results will ECF transfer the next or final instalment. Grantees and partners are required to comply with the European Cultural Foundation's guidelines on reporting and crediting the Foundation.

If a grantee / partner has not completed the project within the agreed timeframe, the Foundation could decide to cancel the outstanding grant. The total amount of cancelled grants is reflected in the ECF annual accounts.

Authorisation of contracts

The Treasurer signs all contracts over €20,000.

External auditor – Annual Accounts

After performing the annual audit, the European Cultural Foundation's external auditor (Dubois & Co) reports its findings to the Audit Committee. Dubois & Co prepares the auditor's report and a management letter, which reflects their findings. Both documents are shared with the Supervisory Board, which approves the Annual Report. Following ECF's Articles of Association, the Supervisory Board approves the auditor that audits the annual accounts. The European Cultural Foundation follows guideline RJ650 for the reporting of their annual accounts. These are guidelines for fundraising organisations.

External auditor – Donor reporting

Several organisations that fund the European Cultural Foundation's activities require an audit report as part of the final project report. We work with several auditors to comply with these requirements.

The choice of auditor depends on the specific requirements of the funder, location of the project, location of the main partner (generally responsible for administration) and expertise of the auditor. Budget is a consideration, but the quality of the audit exceeds this consideration in importance.

Evaluation, potential threats and outlook

How we evaluate

Impact assessment and evaluation is an important aspect of the European Cultural Foundation's work and is carried out by our Research & Development team. We apply a variety of internal and external evaluation methods and tools to our programmes to take stock of our achievements, to learn from our experience, to share knowledge within and beyond the European Cultural Foundation, and to inform our decisions and strategies going forward. Evaluation results demonstrate to our donors and partners how we achieve our goals.

Before launching any new programme, we conduct feasibility studies, mappings or exploratory reflection groups with stakeholders from the countries and topical areas we plan to address. The aim of these activities is to analyse the contexts and identify the needs and the urgencies on which we would focus the future programme's objectives and activities. Ongoing monitoring and evaluation help us to adjust our multiannual programmes and tools towards stronger outcomes and impact.

Potential threats

The European Cultural Foundation has undertaken a comprehensive risk analysis of all the aspects of the strategy, organisation, operations and governance to define risk areas and put in place mechanisms for mitigating any risk.

- The European Cultural Foundation is highly dependent on a single source of income that can vary annually. Through the Prins Bernhard Cultuurfonds, we are guaranteed to receive income from BankGiro Loterij and Lotto / Staatsloterij until 2032, when the contract between the lotteries and
- the Prins Bernhard Cultuurfonds will expire.
- The Ministry of Justice of the Netherlands has decided to permit new online gambling. This may affect the level of lottery funding received by the European Cultural Foundation in the future.

- A fast-changing European context urges us to engage proactively with the current political/cultural climate and realities in order to achieve our goals.
- Data protection and avoiding data loss are continuously monitored and addressed by the Foundation. We have an Information Security Policy in place to guarantee the availability, integrity and confidentiality of critical information systems, and to comply with the General Data Protection Regulation (GDPR).
- The political environment in which the European Cultural Foundation operates could lead to safety, communications and reputational concerns for individuals related to our work. We have a Travel Safety Policy and a Crisis Management Team.

Annex: Supervisory Board 2019 roles and responsibilities

President

HRH Princess Laurentien of the Netherlands

- UNESCO Special Envoy on Literacy for Development
- Reading and Writing Foundation, The Hague ^{Founder}
- Missing Chapter Foundation, The Hague ^{Founder and MT Member}
- Number 5 Foundation, The Hague ^{Co-founder and Director}
- Oceano Azul Foundation, Lisbon ^{Member of Board of Trustees}
- Reading Unlimited, The Hague ^{Patroness}
- Dutch Language Society (Genootschap Onze Taal), The Hague ^{Patroness}
- Association of Public Libraries, The Hague ^{Honorary Chair}
- Fauna & Flora International, Cambridge, UK ^{President}
- European Climate Foundation, The Hague ^{Fellow}

Chair

Christophe de Voogd (FR)

- Institute of Political Studies, Paris Reader and Researcher
- Fondation pour l'innovation politique, Paris President of the Scientific Board
- Prix d'Amsterdam, Paris Jury President

Vice-Chair

Rien van Gendt (NL)

- Rockefeller Philanthropy Advisors, New York – Board Member
- IMC Weekend School, Amsterdam Board Member
- EDLI Foundation, The Hague Board Member
- Sofam BV, Hilversum, NL Chairman Board
- Partex BV, Amsterdam Managing Director
- Calouste Gulbenkian Foundation, Lisbon Senior Advisor, Board
- Netherlands Dance Theatre, The Hague Advisor
- Buzinezz Club, Rotterdam Advisor
- Movies that Matter, Amsterdam Advisor
- Rockefeller Philanthropy Advisors Europe, London Board Member
- Double Dividend, Amsterdam Advisor
- Compagnia di San Paolo, Torino Advisor
- LTInvestors / Unito, Torino Member Scientific Committee
- Collegio Carlo Alberto, Torino Lecturer

Treasurer

Rob Defares (NL)

- IMC B.V., Amsterdam ^{CEO}
- Rijksakademie v. Beeldende Kunsten, Amsterdam ^{Supervisory Board Member}
- Trust Fund Rijksakademie, Amsterdam ^{Supervisory Board Chair}
- IMC Weekendschool, Amsterdam ^{Board of Trustees Chair}
- Association Proprietary Traders, Gouda, The Netherlands ^{Board Member}
- Museum of Contemporary Art Chicago, Chicago ^{Board of Trustees Member}
- Hartwig Medical Foundation, Amsterdam ^{Supervisory Board Member}
- Stichting Hartwig Foundation, The Hague ^{Supervisory Board Member}
- Manifesta, Amsterdam ^{Supervisory Board Member}
- Amsterdam Art Weekend, Amsterdam ^{Board Chair}

Members

Isabel Alçada (PT)

- Research Centre for Interactive Technologies,
Universidade Nova, Lisbon ^{Researcher}
- Counsellor to the President of the Portuguese Republic
- Foundation Belmiro de Azevedo/EDULOG, Porto ^{Advisory Board Member}

Mária Hlavajová (SK)

- BAK, basis voor actuele kunst, Utrecht ^{General and Artistic Director}
- Bergen Assembly, Bergen ^{Advisory Board Member}
- Piotr Piotrowski Center for Research on East-Central European Art,
Poznan, Poland ^{Advisory Board Member}

Nike Jonah (UK)

- Counterpoints Arts, London Creative Producer, Pop Culture and Social Change
- Onda – Office national de diffusion artistique, France Facilitator
- Institut umění – Divadelní ústav/ Arts and Theatre Institute, Czech Republic Facilitator
- One Dance UK, London
- Banff Centre for Arts and Creativity, Alberta, Canada Consultant
- HM Prison Whitemoor, March, United Kingdom Consultant
- Shelia McKechnie Foundation, London Consultant
- The Roundhouse Trust, London Consultant
- Freddie Poku Addaie Consultant
- The Accelerator Programme Consultant
- OKRE Opening Knowledge across Research and Entertainment, London Advisory Panel Member

Andrea Silvestri (IT), from 13 December 2019

- Fondazione CRC, Cuneo, Italy Managing Director
- CRC Innova S.r.l., Cuneo, Italy Managing Director
- ACRI – Association of Italian Banking Origin Foundations, Rome Member of Commissions Scientific research, Welfare, Impact evaluation
- EFC – European Foundation Centre, Brussels Nomination Committee President, Member of different working groups
- CCM – Comitato di Collaborazione Medica NGO, Torino Sounding Board Member

Advisor representing Prins Bernhard Cultuurfonds

James Kennedy (NL)

- Professor of Modern Dutch History,
Utrecht University College, Universiteit Utrecht ^{Dean}
- Board of the Netherlands America Commission for
Educational Exchange, Amsterdam ^{Member}
- Museum Catharijneconvent, Utrecht ^{Member, Board of Trustees}
- Amsterdams Universiteitsfonds, University of Amsterdam,
Amsterdam ^{Member}
- Prins Bernhard Cultuurfonds, Amsterdam ^{Board Member}
- Academie voor Wetgeving, The Hague ^{Instructor}
- KADOC Documentation and Research Centre on Religion,
Culture and Society, KU Leuven, Leuven ^{Editorial Board}
- Stichting voor Christelijke Filosofie / Foundation for Christian
Philosophy, Amersfoort ^{Curatorium Member}
- Commissie Paleis op de Dam / Commission Royal Palace
Amsterdam, Amsterdam ^{Member}
- Commissie ‘Herijking Canon van Nederland’, The Netherlands ^{Chair}

Financial Report

Overview

The European Cultural Foundation (ECF) is a hybrid organisation. It has both its own funds and undertakes fundraising as well.

We raise funds from governmental institutions, non-profit organisations and commercial organisations. Currently the Foundation does not actively pursue fundraising with the general public.

One of our financial aims is to cover our overhead costs with the income generated through the investment of our own funds. This enables us to dedicate all other funds, as far as possible, to our purposes, which contains the Foundation's five core activities:

- Share Europe
- Experience Europe
- Imagine Europe
- Public Policy
- Communications

Result 2019

The total result of 2019 was a surplus of €1,275,556. Based on the budgeted total income of €5,834,712, the 2019 budget predicted neither a surplus nor a deficit. The actual income received in 2019 was €6,707,063. This profit is for a major part the result of the positive return of €1,494,600 on our securities portfolio during 2019. The total expenditure at year-end 2019 was €5,431,507, which represented 93% of the 2019 budget expenditures.

Income in 2019

Income in 2019 consisted of Lottery funding through the Prins Bernhard Cultuurfonds (PBCF), fundraising (including income from governments and foundations) and return on securities. The Foundation's total income in 2019 was €6,707,063 compared to €4,865,940 in 2018. The total income in 2019 was €872,351 above the total budgeted income in 2019 which is mainly due to a significant profit on our securities portfolio.

Third-party income

The total third-party income for 2019 was €4,951,632 compared to €5,083,681 in 2018. This amount includes income from the Prins Bernhard Cultuurfonds and other organisations. It excludes income from governments and securities.

Income from the Prins Bernhard Cultuurfonds for 2019 was €4,657,165 compared to €4,603,681 in 2018. The expected downward trend of Lottery contributions did not take place in 2019, which resulted in a higher amount (+ 0.15%) of income received from the Prins Bernhard Cultuurfonds compared to the 2019 budgeted amount of €4,650,000.

The remaining third-party contributions were received from various foundations. All contributions were related to specific project activities. For 2019, income from these third parties was €294,467 compared to €480,000 in 2018. Major donors were the Robert Bosch Foundation (€96,298) and Open Society Foundation Europe (OSIFE) with an amount of €68,169. Partly due to the deferral of certain European Cultural Foundation activities, the sum of actual contributions was lower than expected.

Government income

Income from various governments in 2019 was €261,399 compared to €162,938 in 2018. The budgeted amount for 2019 was €358,712. Mostly due to the deferral of certain European Cultural Foundation activities, the sum of actual contributions was lower than expected.

Income from securities and interest

In 2019, the total profit on securities and interest was €1,494,600 compared to a loss of €381,878 in 2018. In 2015, the entire European Cultural Foundation portfolio of bonds was sold and converted into cash as agreed during the Foundation's Supervisory Board Meeting on 1 April 2015. In October 2016, high yield bonds were purchased. At year-end 2019, approximately 52% of the Foundation's portfolio represented investments in shares and 47% in bonds. The remaining 1% was in liquid funds.

This is in line with the Foundation's 'Statement of Investment Principles', which is a Supervisory Board-approved investment strategy that allows for a maximum of 52.5% of our reserves to be invested in fixed income investments and 47.5% in equity investments. The investment strategy is reviewed every 3 years.

Since 2011, the European Cultural Foundation has outsourced its asset management activities to a third party asset manager. See page 80 for more details. As of 2017, the reported income from securities and interest is net of fees charged by the Foundation's asset manager, Wealth Management Partners. These fees represented €45,214 in 2019 compared to €71,957 in 2018.

How ECF's income is used

In 2019, the European Cultural Foundation dedicated 75% of its income to its core activities:

- Share Europe
- Experience Europe
- Imagine Europe
- Public Policy
- Communications

ECF's reserve

The European Cultural Foundation's reserve is used as a buffer in case of financial emergency as well as to ensure financial stability. The goal is to cover all overhead costs with income generated from investing the reserve. Any surplus as a result of lower expenditure than income is temporarily added to the Foundation's reserve and is then used for purpose-related activities in the following year(s). More information about the reserve can be found on pages 81 and 87.

Overhead expenses

Expenses are incurred for fundraising, governance, management and administration in order to execute our objectives. The European Cultural Foundation aims to cover all overhead expenses from returns on its invested reserve (income from securities). This allows the Foundation to use all other income for purpose-related activities.

Detailed overview of overhead expenses

Overhead expenses in 2019 included Finance, Fund Development, Operations (including recharge to Stichting Praemium Erasmianum) and Governance expenses. It is important to notice Communications is reported as part of the Committed to Purpose expenditure as per 2019.

The total overhead expenditure in 2019 was €419,753 compared to €571,453 in 2018. Overhead expenses comprised 7.7% of the total expenditure in 2019.

	ACTUAL 2019	BUDGET 2019	ACTUAL 2018
Overhead expenses	419,753	418,641	571,453
Total expenses	5,431,507	5,834,712	5,768,332
Overhead as % of total expenses	7.7%	7.2%	9.9%

Overhead expenditure in 2019 decreased compared to overhead expenditure in 2018 and was reported on the same level as the budgeted expenditure for 2019. Compared to 2018, overhead expenditure as a share of the total costs decreased in 2019. This is directly related to Business Development, which wasn't part of the 2019 expenditure.

Allocation of overhead expenses to objectives

In order to allocate overhead expenses to its objectives, the European Cultural Foundation uses time writing as an allocation key. Time spent on activities is tracked and allocated using a software and time writing system.

Fund Development

The net costs for Fund Development in 2019 were €153,746 compared to €160,182 in 2018.

As a percentage of the total fundraised income in 2019, this amounts to 27.66%* compared to 24.91% in 2018. An amount of €94,258, which represents the European Cultural Foundation’s contribution to the Prins Bernhard Cultuurfonds Fund Development costs, is not included in the overall fundraising costs.

	ACTUAL 2019	BUDGET 2019	ACTUAL 2018
Costs fundraising ECF	144,424	168,002	132,227
Costs fundraising third parties	9,323	34,750	27,955
Costs fundraising excl. PBCF contribution	153,746	202,752	160,182

	ACTUAL 2019	BUDGET 2019	ACTUAL 2018
Costs fundraising contribution PBCF	94,258	94,258	71,527
Costs fundraising incl. PBCF contribution	248,004	274,752	231,709

Fundraised income includes income from other foundations and governments but excludes income from the PBCF and securities. As per a longstanding agreement, the Foundation contributed €94,258 to PBCF’s fundraising costs in 2019, compared to €71,527 in 2018. In 2019, higher costs were billed to the Foundation by PBCF for Lottery support. The table below shows fundraised income against fundraising costs.

	ACTUAL 2019	BUDGET 2019	ACTUAL 2018
Fundraised income current year	555,866	884,712	642,938
Fundraising costs excl. costs PBCF	153,746	202,752	160,182
% Fundraised income excl. income PBCF	27.66% *	22.92%	24.91%
*If calculated as a percentage of the total average fundraised income during 2016 - 2018, this amounts to 18.97%.			

In 2014, the European Cultural Foundation received the CBF Quality Mark (Central Bureau for Fundraising – ‘Centraal Bureau Fondsenwerving’) certifying that the organisation’s fundraising activities are considered trustworthy. The CBF states that income can only be recognised as fundraised once. This means that if a donor, who in the Foundation’s case is PBCF, reports its own funds as fundraised and then passes those funds on to another organisation, the latter organisation may not also report those funds as fundraised. As a result, the total amount of fundraised income does not include income from the PBCF. Therefore, according to the CBF’s definition, income gained through fundraising in 2019 was €555,866 compared to €642,938 in 2018.

Securities costs

The costs associated with managing the assets that the European Cultural Foundation reported for 2019 were €45,214 compared to €71,957 in 2018. The decrease is due to a lower management fee introduced in 2019. As of 2019, these costs were deducted from the Foundation’s income from securities and interest. See also pages 75, 82, 83, 92 and 96.

Overhead

In 2019, overhead costs were €419,753 compared to €571,453 in 2018. These costs represent 7.7% of the total expenditure in 2019. The percentage in 2018 was 9.9%.

Liquidity

Current assets, deposits and cash decreased in 2019 compared to 2018. The balance of liquid funds represented €817,669 at year-end 2019. At year-end 2018 this balance was €6,552,493.

Current assets and current liabilities

In 2019, out of its savings account the European Cultural Foundation added €5,828,139 to its securities portfolio, which resulted in a lower liquidity ratio. The liquidity ratio has decreased from 3.31 to 1.56.

	31 DEC 2019	31 DEC 2018
Current assets, deposits, cash	3,195,762	9,134,110
Current liabilities	2,053,202	2,755,930
Liquidity ratio	1.56	3.31

The composition of liquid assets has developed as follows:

	31 DEC 2019	31 DEC 2018
Current assets	2,378,093	2,581,617
Liquid funds	817,669	6,552,493
Total current assets and liquid funds	3,195,762	9,134,110
Liquid funds in %	26%	72%

Reserve

The European Cultural Foundation's reserve is available for use, if needed, and is used as a buffer in case of financial emergency as well as to ensure financial stability. The reserve ensures the continuity of ECF, allowing the organisation to continue operating for a limited period of time in the event of an unexpected drop in income and serves as a safeguard against income fluctuations. Through investment in low-risk securities, the reserve also functions as a source of income.

At year-end 2019, the European Cultural Foundation's total reserves amounted to €13,805,205 compared to €12,529,649 at 31 December 2018. Based on the reserve level, direct credit risks or liquidity risks are manageable for the Foundation.

Composition of ECF's securities portfolio and liquid funds

	31 DEC 2019		31 DEC 2018	
Equity investments	5,927,743	44.31%	5,284,360	41.87%
Fixed income investments	6,632,719	49.58%	785,328	6.22%
Liquid funds: saving accounts	129,068	0.97%	5,840,389	46.27%
Liquid funds: other accounts	688,601	5.14%	712,104	5.64%
Total	13,378,132	100%	12,622,181	100%

The composition of the Foundation's portfolio is in line with its 'Statement of Investment Principles', which was updated and has been approved by the Supervisory Board on 28 September 2018. The European Cultural Foundation assumes an investment mix of 52.5% fixed income investments and 47.5% equity investments.

In that connection, the Treasurer is permitted to maintain a bandwidth of 20% between both investment categories, i.e. fixed income may vary between 50% and 70% of the portfolio whereas equities may vary between 50% and 30% of the portfolio.

The investment policy standards maintained for environment, society and corporate governance (ESG) are compliant with standards indicated by United Nations Global Compact (UNGC), Goede Doelen Nederland (GDN) and take into account ESG-analyses provided by Dow Jones, EIRIS, MSCI and RobecoSAM.

At year-end 2019, 44.3% of the portfolio represents investments in equity investments and 55.7% in fixed income investments and liquid funds.

Management of ECF's securities portfolio

Since 2011, the European Cultural Foundation has outsourced the day-to-day management of its securities portfolio to Wealth Management Partners N.V. (WMP). Regular meetings between the Foundation's Treasurer, the Foundation's Manager Finance and WMP are held throughout the year. The investment of securities is based on the conservative investment strategy as outlined in the Supervisory Board-approved 'Statement of Investment Principles'.

Appointment of auditors

The European Cultural Foundation annual accounts have been audited by Dubois & Co since 2013. Prior to 2013 PricewaterhouseCoopers (PwC) was appointed to undertake this role. The auditor is appointed by, and reports to, the Foundation's Supervisory Board, through the Audit Committee.

Budget 2020

INCOME	BUDGET 2020	ACTUAL 2019
Income other non-profit organisations*	4,630,000	4,657,165
Fundraised income – profit/non-profit	552,500	294,467
Fundraised income – governments	1,065,692	61,399
Other income (Securities and interest)	375,000	1,494,600
Other income	-	(569)
TOTAL INCOME	6,623,192	6,707,063

* This represents the contribution, through the Prins Bernhard Cultuurfonds, from the BankGiro Loterij and the Nederlandse Loterij Organisatie (Lotto/Staatsloterij).

EXPENSES	BUDGET 2020	ACTUAL 2019
Programmes		
Share Europe	1,329,722	1,974,789
Experience Europe	2,219,927	1,292,057
Imagine Europe	1,373,532	823,655
	4,923,181	4,090,500
Public Policy	758,954	616,137
Communications	476,209	305,116
Overhead		
Finance (incl. Fund Development)	439,848	362,930
Operations ** (after recharges)	-	37,314
Governance	25,000	19,509
	464,848	419,753
TOTAL EXPENSES	6,623,192	5,431,507
SURPLUS / (DEFICIT)	-	1,275,556
(Withdrawal from) / Addition to reserve	-	1,275,556

**From 2020 all costs under Operations are charged to Programmes.

Balance sheet

As per 31 December 2019:

ASSETS	REF	2019	2018
Tangible fixed assets	1		
Premises		34,676	38,813
Refurbishment		16,350	13,535
Furniture and equipment		51,156	29,433
		102,182	81,781
Financial fixed assets	2		
Bonds		6,632,719	785,328
Shares		5,927,743	5,284,360
		12,560,462	6,069,688
Currents assets	3		
Accounts receivable		2,378,093	2,581,617
Deposits, cash	4		
Cash and bank balances		817,669	6,552,493
TOTAL		15,858,406	15,285,579

LIABILITIES	REF	2019	2018
Reserves	5		
Appropriated reserve		13,805,205	12,529,649
Revaluation reserve		-	-
		13,805,205	12,529,649
Current liabilities	6		
Received in advance		-	-
Grants payable		351,319	524,774
Other accounts payable		1,701,803	2,231,157
		2,053,202	2,755,930
TOTAL		15,858,406	15,285,579

Statement of income and expenditure

INCOME	REF	ACTUAL 2019	BUDGET 2019	ACTUAL 2018
Income third party activities*		4,657,165	4,650,000	4,603,681
Fundraised income – profit/non-profit	7	294,467	526,000	480,000
Fundraised income – governments	8	261,399	358,712	162,938
Securities income	9	1,494,600	300,000	(381,878)
Other income		(569)	-	1,199
TOTAL INCOME		6,707,063	5,834,712	4,865,940

EXPENSES	REF	ACTUAL 2019	BUDGET 2019	ACTUAL 2018
Programmes	10			
Share Europe		1,974,789	1,832,311	1,242,979
Experience Europe		1,292,057	1,509,158	2,010,299
Imagine Europe		823,655	967,129	940,740
		4,090,500	4,308,599	4,194,017
Public Policy		616,137	754,931	449,134
Publications*				
*As of 2019, Publication costs are part of Programmes.		-	-	222,476
Communications	11	305,116	352,541	331,251
TOTAL COMMITTED TO PURPOSE		5,011,754	5,416,071	5,196,879

OVERHEAD	REF	ACTUAL 2019	BUDGET 2019	ACTUAL 2018
Fund Development	12	248,004	274,752	231,709
Finance	13	114,926	105,847	161,004
Operations (incl.recharge SPE)	14	37,314	8,042	(26,329)
Governance	15	19,509	30,000	23,593
		419,753	418,641	389,976
Business Development	16	-	-	181,47
TOTAL EXPENSES		5,431,507	5,834,712	5,768,332
SURPLUS /(DEFICIT)		1,275,556	0	(902,392)

ALLOCATION OF RESULT	REF	ACTUAL 2019	BUDGET 2019	ACTUAL 2018
(Withdrawal from) / Addition to reserve		1,275,556	0	(902,392)

* This represents the contribution, through the Prins Bernhard Cultuurfonds, from the BankGiro Loterij and the Nederlandse Loterij Organisatie (Lotto/Staatsloterij).

Cash flow from operating activities

	ACTUAL 2019	ACTUAL 2018
Result	1,275,556	(902,393)
Adjustments for		
Depreciation tangible fixed assets	21,707	29,349
Movements in accounts receivable	203,524	478,871
Movements in short-term liabilities	-702,728	-53,704
Cash flow from operating activities	798,059	-447,877
Cash flow from investment activities		
Additions to tangible fixed assets	-42,108	-32,307
Movements in financial fixed assets	-6,490,774	371,710
Cash flow from investment activities	-6,532,882	339,403
Mutation valuation reserve	-	-
Movements in liquid assets	-5,734,824	-108,474
Opening balance liquid assets	6,552,493	6,660,967
Closing balance liquid assets	817,669	6,552,493
Movements in liquid assets	-5,734,824	-108,474

Accounting Principles

General

The European Cultural Foundation is an operating and grant-giving foundation. Its core income is received from the Prins Bernhard Cultuurfonds (PBCF). Other income is derived from grants, subsidies, donations and the Foundation's securities portfolio.

Grants are awarded to third parties on the basis of projects submitted through grant applications, either through open calls or by invitation. Programmes are run by the European Cultural Foundation alone or in partnership with other organisations in line with the Foundation's four-year strategic plan (2017-2020) and the annual work plan.

Reporting period

The financial statements contained in this report are based on the reporting period of one year, where the financial year equals the calendar year.

Foundations for valuation and determining the result

Unless specified, both the assets and liabilities are valued nominally. Income and expenses are attributed to the year to which they are related, and commercial organisations. Currently the Foundation does not actively pursue fundraising with the general public.

Tangible fixed assets

Tangible fixed assets are valued at cost price less the accumulated depreciation. Depreciations commence from the moment the investment is put into use. Investments of less than €500 are fully expensed in the year of purchase.

Depreciation is calculated on a cost basis against the following rates per annum:

- Premises: 2%-7%
- Refurbishment: 10%-20%
- Furniture: 10%-20%
- Equipment: 20%-33%

Financial fixed assets

Shares and bonds are stated at market value at year-end. Realised and unrealised gains and losses are accounted for in the statement of income and expenditure.

Amounts in foreign currencies are converted into euro at year-end rates. Transactions in foreign currencies are recorded using the exchange rates on the transaction date. Gains and losses on transactions are included in the statement of income and expenditure.

Recognition of income

The European Cultural Foundation's main source of income is from the Prins Bernhard Cultuurfonds. This is recognised in a statement from the Prins Bernhard Cultuurfonds, which indicates the amount of funds the Foundation has received from the BankGiro Loterij and the Nederlandse Loterij Organisatie (Lotto/Staatsloterij). According to a longstanding agreement between the two foundations, 25% of the non-designated income received from the Lotteries is passed on to the European Cultural Foundation by the Prins Bernhard Cultuurfonds.

Recognition of expenses

In general, expenses are charged to cost centres based on actual expenses per project. Operational expenses are recognised as soon as they can be estimated and are legally enforceable by third parties because of contracts or communicated commitments. A large proportion of staff and administration costs are allocated to the Foundation's activities using time writing as the allocation key.

Fundraising costs consist of salary costs and consultancy costs and include, as agreed between the Prins Bernhard Cultuurfonds and the European Cultural Foundation, the allocation of 25% of the fundraising costs incurred by the Prins Bernhard Cultuurfonds.

90% spending rule

The European Cultural Foundation is committed to spending (expenses minus fundraising income) at least 90% of its total Lottery income on its purposes. Based on the average Lottery income of the previous three years, the Foundation complied with this in 2019.

Reporting guidelines

The financial statements are prepared in accordance with Guideline 650 ('Richtlijnen Voor De Jaarverslaggeving' – 'Guidelines for Annual Reporting'), which provides accounting principles widely accepted in the Netherlands for fundraising institutions. In this method of reporting, expenses are allocated to objectives, to costs for Fund Development and to costs for Operations.

Notes to the Balance Sheet

Tangible Fixed Assets (Ref 1)

	PREMISES	REFURBISHMENT	FURNITURE & EQUIPMENT	TOTAL
Historical cost				
Balance at 31 Dec 2018	179,069	342,702	647,748	1,169,519
Additions in 2019	-	6,828	35,280	42,108
Balance at 31 Dec 2019	179,069	349,530	683,028	1,211,627
Depreciation				
Balance at 31 Dec 2018	140,255	329,168	618,315	1,087,738
Depreciation in 2019	4,137	4,013	13,557	21,707
Balance at 31 Dec 2019	144,393	333,181	631,872	1,109,446
BOOK VALUE AT 31 DEC 2018	38,813	13,535	29,433	81,781
BOOK VALUE AT 31 DEC 2019	34,676	16,349	51,156	102,181

Note: A silent reserve of €2,876,000 is to be categorised under 'Premises'. This represents an assessed market value of the European Cultural Foundation's building at Jan van Goyenkade 5, Amsterdam, according to issued 'WOZ-beschikking' of 1 January 2019. The fact the European Cultural Foundation reports this amount in this way is due to the fact the Foundation records its premises at the initial purchase price and not at the current (higher) market value. Further it must be taken into account that the premises are part of a dual proprietorship between the Foundation (75%) and Stichting Praemium Erasmianum (25%).

Financial Fixed Assets (Ref 2)

	BONDS	SHARES	TOTAL
Balance at 31 Dec 2018	785,328	5,284,360	6,069,688
Acquisitions	7,997,777	7,436,902	15,434,679
Sales	-2,274,206	-8,097,032	-10,371,238
Revaluations realised	24,948	630,612	655,560
Revaluations unrealised	98,873	672,900	771,773
Balance at 31 Dec 2019	6,632,719	5,927,743	12,560,462

Note: The total balance of €12,560,462 of the Financial Fixed Assets is included in the European Cultural Foundation's portfolio overview below. The total balance of liquid funds of €817,669, reported separately as 'cash and bank balances' on the balance sheet (see page 85), has also been included. This resulted in a total portfolio sum of €13,378,132.

	AS PER 31 DEC 2019		AS PER 31 DEC 2018	
Fixed income investments (bonds)	49.58%	6,632,719	6.22%	785,328
Equity investments (shares)	44.31%	5,927,743	41.87%	5,284,360
Real estate	-	-	-	-
Liquid funds saving accounts of sold bonds	0.02%	2,533	0%	226
Liquid funds other	6.09%	815,137	51.91%	6,552,267
	100.0%	13,378,132	100.0%	12,622,18165

Note: The change in the value of shares and bonds, which are classified as held-for-trading securities, are booked directly in the profit and loss account as per the Dutch Regulations for Financial Accounting.

The overall result of the European Cultural Foundation's securities portfolio, including interest income, throughout 2019 is a profit of €1,494,600.

	ASSETS	RESULT	RESULT %
ECF 2019 securities	12,560,462	1,494,414	11.90%
ECF 2019 interest (saving accounts)	129,068	187	0.14%
ECF 2019 portfolio total	12,689,530	1,494,600	11.78%
ECF 2018 securities	6,069,688	(383,445)	(6.32%)
ECF 2018 interest (saving accounts)	5,840,389	1,567	(0.03%)
ECF 2018 portfolio total	11,910,077	(381,878)	(3.21%)

Current Assets (Ref 3)

	31 DEC 19	31 DEC 18
Prins Bernhard Cultuurfonds	717,472	699,320
Commitments by funders*	656,805	791,231
Deferred expenses*	563,762	645,897
Prepaid expenses	28,401	51,876
Prepaid expenses pension	17,698	19,532
Other accounts receivable	7,211	9,367
Others**	386,744	364,394
	2,378,093	2,581,617

The current assets have a duration of less than one year.

* See Annex A for a specification of 'Commitments by funders' and for 'Deferred expenses'.

** This mainly represents the outstanding balances between the European Cultural Foundation and the Foundation's 'Voorzieningsfondsen' at 31 December 2019.

Commitments by funders 31 Dec 2018	791,231
New commitments 2019	4,244,194
Released 2019	-4,378,620
Commitments by funders balance 31 Dec 2019	656,805

Deposits and cash (Ref 4)

Cash and bank balances are at the disposal of the European Cultural Foundation.

Reserves (Ref 5)

	GENERAL RESERVE	REVALUATION RESERVE	TOTAL
Balance as per 31 Dec 2018	12,529,649	-	12,529,649
Additions	1,275,556	-	1,275,556
Withdrawals	-	-	-
Balance as per 31 Dec 2019	13,805,205	-	13,805,205

Current liabilities (Ref 6)

Grants payable: According to the European Cultural Foundation's procedures, projects supported by an ECF grant should be finalised within two years of the grant award date. In specific cases, this term may be extended with the approval of the Foundation's Director. The grants payable as per the balance sheet consist of:

	31 DEC 19	31 DEC 18
Grants awarded in 2015	-	5,000
Grants awarded in 2016	5,000	5,000
Grants awarded in 2017	19,000	70,200
Grants awarded in 2018	34,699	444,574
Grants awarded in 2019	292,620	-
	351,319	524,774
Other current liabilities		
Taxes and social premiums	115,621	126,322
Other personnel costs	77,739	84,426
Contractual obligations *	611,446	695,053
Contributions to spend*	633,138	941,116
Accounts payable	231,804	345,222
Others	32,135	38,617
	1,701,883	2,231,157
Contractual obligations balance 31/12/2018		695,053
New contracts 2019		918,996
Released 2019		-1,002,602
Contractual obligations balance 31/12/2019		611,446

*See Annex A for specifications of Contractual Obligations and Contributions to spend.

The ground lease term ('erfpachttermijn') of the European Cultural Foundation building at the Jan van Goyenkade 5, Amsterdam, which expires at 31 of August 2042, is to be categorised as an off balance sheet obligation. The annual obligation of the European Cultural Foundation represents €8,645.

Notes to the Statement of Income & Expenditure (Refs 7-15)

The European Cultural Foundation has a longstanding partnership with the Prins Bernhard Cultuurfonds through which it receives a quarterly financial contribution from the BankGiro Loterij and the Nederlandse Loterij Organisatie (Lotto/Staatsloterij). In 2019, the contribution from the Prins Bernhard Cultuurfonds was €4,657,166, representing 89.3%* of the Foundation's income. Compared to the actual income received from Prins Bernhard Cultuurfonds in 2018 (€4,603,681), there was an increase of €53,485 (or 1.2%) in 2019.

*The percentage of 89.3% of the European Cultural Foundation's income represents the percentage of its income 2019 excluding the result on securities.

Fundraised income – Profit/non-profit (Ref 7)

	ACTUAL 2019	BUDGET 2019	ACTUAL 2018
Compagnia di San Paolo (Grants/STEP)	35,000	50,000	50,000
Stichting Culturele Haadstêd 2018 (Tandem Friesland)	20,000	-	65,000
Fondazione Cariplo (Tandem Europe)	25,000	25,000	100,000
Fonds voor Cultuurparticipatie (Tandem Europe)	-	-	50,000
Robert Bosch Stiftung (Tandem Development/Tandem Europe)	96,298	115,000	130,000
Open Society Foundation Europe (Tandem Western Balkans)	68,169	100,000	-
Stavros Niarchos Foundation (Tandem Europe)	50,000	50,000	50,000
Contribution for the Story of the ECF Project	-	50,000	-
Contribution STEP Grants	-	50,000	-
Contribution Tandem European Capitals of Culture (Tandem ECoC)	-	36,000	-
Abu Dhabi Arts & Music Foundation (Tandem Shaml)	-	50,000	35,000
TOTAL FUNDRAISING INCOME	294,467	526,000	480,000

Fundraised income – Governments (Ref 8)

	ACTUAL 2019	BUDGET 2019	ACTUAL 2018
Erasmus+ Key Action 2 (Pilots/Displaced in Media)	135,132	136,900	68,762
European Commission (Cultural and Creative Places and Cities)	27,945	35,720	-
Municipalities of Europe (Tandem ECOG)	28,384	84,000	3,500
Goethe-Institut (Cultural Diplomacy Platform)	12,346	44,500	29,953
European Commission (Culture for Solidarity)	57,592	57,592	60,723
TOTAL GOVERNMENT INCOME	261,399	358,712	162,938

Income from securities and interest (Ref 9)

	ACTUAL 2019	ACTUAL 2018
Interest from bank accounts	187	1,567
Realised revaluations bonds	24,948	-
Unrealised revaluations bonds*	98,873	(24,581)
	123,821	(24,581)
Dividends	112,294	65,352
Realised revaluations shares	630,612	20,751
Unrealised revaluations shares*	672,900	(373,010)
	1,415,806	(286,907)
	1,539,814	(309,921)
Management fees securities	(45,214)	(71,957)
TOTAL INCOME SECURITIES AND INTEREST	(1,494,600)	(381,878)

*The total unrealised results (profit) on the revaluation of bonds (€98,873) and of shares (€672,900) are recorded as reported by Wealth Management Partners N.V., European Cultural Foundation's Fund Manager.

Committed to Purpose (Ref 10)

	ACTUAL 2019	BUDGET 2019	ACTUAL 2018
Action grant call (Democracy Needs Imagination 2019)	974,023	594,972	559,056
Public Sphere	406,285	463,997	288,492
Indirect costs	594,481	773,342	395,431
Total costs Share Europe	1,974,789	1,832,311	1,242,979
STEP Mobility Grants	68,581	139,910	246,835
Tandem	755,872	868,163	1,094,144
Indirect costs	467,604	501,085	669,320
Total costs Experience Europe	1,292,057	1,509,158	2,010,299
What Can Culture Do Tour	38,290	-	-
European Cultural Challenge	-	163,548	142,689
Princess Margriet Award 2019	289,150	279,528	263,200
Story of the ECF / ECF 65 Years	73,895	88,500	-
Indirect costs	422,320	435,554	534,851
Total costs Imagine Europe	823,655	967,129	940,740
Public Policy	75,552	145,090	121,344
Indirect costs	540,585	609,841	327,790
Public Policy	616,137	754,931	449,134
Communications	83,521	133,968	104,367
Indirect costs	221,596	218,573	226,884
Communications	305,116	352,541	331,251
Publications	-	-	222,476
ACTIVITIES COMMITTED TO PURPOSE	5,011,754	5,416,071	5,196,879

Communications (Ref 11)

	ACTUAL 2019	BUDGET 2019	ACTUAL 2018
Corporate communications	44,773	88,335	93,772
Press & PR	6,615	11,850	10,595
Annual Report	14,884	8,275	-
Annual Magazine	16,871	17,500	-
Corporate publications	418	8,008	-
Indirect costs	221,596	218,573	254,264
	305,116	352,541	331,251

Fundraising costs (Ref 12)

Fundraising costs include staff costs and consultancy costs as well as costs allocated to the European Cultural Foundation by Prins Bernhard Cultuurfonds (PBCF). In the table below the contribution by PBCF to the Foundation has been included in the total income, which shows that the ratio for 2019 has increased. This is mainly due to a decrease in fundraising income in 2019 compared to 2018.

	ACTUAL 2019	BUDGET 2019	ACTUAL 2018
Total income incl. PBCF	6,707,063	5,834,712	4,865,940
Fundraising costs incl. costs PBCF	248,004	274,752	231,709
% Fundraising income costs	3.7%	4.7%	4.8%

If income received from the PBCF is excluded from the European Cultural Foundation’s total fundraising income, it results in the table below.

	ACTUAL 2019	BUDGET 2019	ACTUAL 2018
Total fundraising income current year	555,866	884,712	642,938
Fundraising costs incl. costs PBCF	248,004	274,752	231,709
Fundraising costs excl. costs PBCF	153,746	202,752	160,182
% Fundraising income excl. PBCF *	27.7%	22.9%	24.9%

Included in the €248,004 of fundraising costs incl. costs PBCF are costs allocated to the European Cultural Foundation from PBCF. These costs represented €94,258, and are PBCF’s costs related to charges incurred by the Lotteries. This leaves €153,746 in fundraising costs and a fundraising ratio of 27.7%.

*If calculated as a percentage of the total average fundraised income during 2016 – 2018 (or €810,449), this amounts to a 2019 ratio of 19.0%.

Finance (Ref 13)

	ACTUAL 2019	BUDGET 2019	ACTUAL 2018
Finance & Administration	44,712	55,215	43,273
Indirect costs	70,214	50,632	117,732
	114,926	105,847	161,004

Operations (Ref 14)

	ACTUAL 2019	BUDGET 2019	ACTUAL 2018
Computerisation	79,134	64,000	60,536
Depreciation	21,707	29,000	29,349
Premises, utilities, other expenses	130,092	129,757	116,116
Representation	19,879	20,000	18,879
Recharged costs			
Stichting Praemium Erasmianum	(28,096)	(28,000)	(26,392)
Distribution of costs	(250,831)	(242,757)	(224,879)
Indirect costs	65,410	36,042	-
	37,314	8,042	-26,329

Governance (Ref 15)*

	ACTUAL 2019	BUDGET 2019	ACTUAL 2018
Supervisory Board meetings	19,509	30,000	23,593
	19,509	30,000	23,593

*As of 2017, indirect costs, such as staff costs are no longer allocated to Governance activities.

Business Development (Ref 16)

An external study commissioned in 2018 on the potential of income through service provision came to the conclusion that this is not a suitable model for the European Cultural Foundation and therefore this direction was not to be further pursued. Total expenditure in 2018, including staff costs, represented €181,477.

Employees

Taking into account the percentage of part-time employees at 31 December 2019 (77.7%), Full Time Equivalents (FTEs) for 2019 was 25.8. In 2018, the amount of FTEs was 28.8.

Staff costs*

	ACTUAL 2019	BUDGET 2019	ACTUAL 2018
Salaries	1,557,151	1,751,442	1,690,270
Social charges	263,364	290,000	284,510
Pension costs	262,837	295,333	298,309
Travel allowance	23,006	18,259	26,625
Overtime	-	10,000	-
Other staff costs (including training)	138,686	181,574	143,017
	2,245,043	2,546,608	2,442,731
Interim staff	45,609	15,000	6,534
TOTAL	2,290,653	2,561,608	2,449,265

*Overall staff costs were 11.5% lower in 2019 than budgeted. This is due to a revaluation of activities and human resources with the goal to better balance staff costs and operational costs.

Staff costs & information

Compensation for Director

The European Cultural Foundation is managed by one Director. In 2019, the compensation for this role was €112,000. Goede Doelen Nederland (GDN), the umbrella organisation for fundraising charities in the Netherlands, has laid out guidelines for determining the remuneration of charity directors ('Regeling belonging directeuren van Goede Doelen' or 'Compensation Guidelines for Directors of Not-For-Profits'). For 2019, the Foundation applies the BSD rating ('Basis Score voor Directiefuncties normering') of 450 points as categorised under function group H. In 2019, the Director's relevant annual income was €112,000, which is within the maximum of €121,708 as specified under function group H.

ANNUAL INCOME	2019	FROM 15 NOVEMBER 2018	2017
Gross salary	96,275	13,432	-
Holiday allowance	7,702	992	-
Year-end bonus	8,023	-	-
Variable components	-	-	-
Total	112,000	14,424	-
Social charges	6,952	1,366	-
Other taxable compensation	24,707	2,681	-
Pension	16,039	1,972	-
Other regular compensation	-	-	-
Severance pay	-	-	-
Total remuneration 2018	159,698	20,444	-
Remuneration excluding social charges	152,746	19,078	-

Financial allocations, Fundraising costs

Allocation of income

INCOME SOURCE	CONTRIBUTION PBCF	FUNDRAISING FROM PROFIT/NON-PROFIT	FUNDRAISING FROM GOVERNMENTS	INTEREST/SECURITIES	OTHER INCOME	TOTALS
Share Europe	1,747,065	35,000	192,724	-	-	1,974,789
Experience Europe	1,004,205	259,467	28,384	-	-	1,292,057
Imagine Europe	823,655	-	-	-	-	823,655
Public Policy	575,846	-	40,291	-	-	616,137
Communications	-	-	-	305,116	-	305,116
Finance	-	-	-	362,930	-	362,930
Operations	-	-	-	37,314	-	37,314
Governance	-	-	-	19,509	-	19,509
Reserve	506,394	-	-	769,731	(569)	1,275,556
TOTALS	4,657,165	294,467	261,399	1,494,600	(569)	6,707,063
TOTAL EXPENDITURE						5,431,507

Cost Allocation

	SHARE EUROPE	EXPERIENCE EUROPE	IMAGINE EUROPE	PUBLIC POLICY	COMMUNICATIONS	COSTS FUNDRAISING	FINANCE & ADMINISTRATION	GOVERNANCE	OPERATIONS	TOTAL COSTS 2019
DIRECT COSTS										
Grants 2019	977,008	85,550	3,000	-	-	-	-	-	-	1,065,585
Grants not taken up	-	-2,119	-	-	-	-	-	-	-	-2,119
Partnerships and outsourced activities	209,305	685,724	-	10,000	-	-	-	-	-	905,029
Other activity costs										
Communication costs	193,995	55,297	398,355	65,552	-	-	-	-	-	713,180
	-	-	-	-	83,521	-	-	-	-	83,521
INDIRECT COSTS										
Personnel costs	535,809	421,454	380,639	487,232	199,726	130,170	70,214	-	65,410	2,290,653
Governance	-	-	-	-	-	-	-	19,509	-	19,509
Other general costs	58,672	46,150	41,681	53,353	21,870	117,834	44,712	-	-28,095	356,176
TOTAL	1,974,789	1,292,057	823,655	616,137	305,116	248,004	114,926	19,509	37,315	5,431,507

In 2019, a total amount of €2,119 that had been reserved for grants payable was released and was deducted from the direct costs as 'Grants not taken up'. This amount consists of outstanding instalments related to multiple projects that were not completed in the required timeframe.

Staff costs and General Administration costs are allocated to ECF's different activities based on time writing by employees.

EXPENDITURES PERCENTAGE	ACTUALS 2019	SPENDING RATIO	BUDGET 2019	SPENDING RATIO	ACTUALS 2018	SPENDING RATIO
Total expenditures ECF	5,431,507		5,834,712		5,768,332	
Total income ECF	6,707,063		5,834,712		4,865,940	
Surplus (deficit)	1,275,556	80.98%	0	100%	-902,393	118.55%
FUNDRAISED INCOME AND EXPENDITURES						
Fundraised income previous 3 years	810,449		884,712		642,938	
Fundraising costs incl. charge PBCF	248,004		274,752		231,709	
Fundraising costs excl. charge PBCF	153,746	18.97%	202,752	22.92%	160,182	24.91%
SPECIFICATION FUNDRAISING COSTS						
Costs fundraising ECF	144,244		168,002		132,227	
Costs fundraising third parties	9,323		34,750		27,955	
Costs fundraising PBCF	94,258		72,000		71,527	
	248,004		274,752		231,709	

*Fundraised income of €642,938 as reported in 2018, represents actual income of 2018.

Consolidated report

Accounting Principles

The consolidated Financial Statements consist of the financial data of:

- European Cultural Foundation (ECF)
- Stichting Voorzieningsfonds Pensioengerechtigden Binnenland van de Fondation Européenne de la Culture
- Stichting Voorzieningsfonds Pensioengerechtigden Buitenland van de Fondation Européenne de la Culture

Voorzieningsfonds

The objective of the Stichtingen Voorzieningsfondsen (pension provision fund) is to compensate for the decreasing value of pensions for a defined group of ex-employees if the official inflation rate is higher than 3%.

Detailed objectives are described in the statutes of the European Cultural Foundation Stichtingen Voorzieningsfondsen.

In 2014, the European Cultural Foundation was alerted that the ECF Voorzieningsfondsen, which are attached to the Foundation for the purposes of financing the indexation of pensions already in force, are required to comply with the 2007 Pensions Act.

After extensive investigations by the Foundation's pension advisor, it was decided that the Voorzieningsfondsen would not continue to exist in their present form. In March 2017, the Board formally decided that the funds would be liquidated. The European Cultural Foundation has been in consultation with De Nederlandsche Bank in order to execute the liquidation process in a proper way. Together with Loyens & Loeff a roadmap has been designed in which the finalisation of the liquidation has been outlined. It has become clear that the inventory process for the Voorzieningsfondsen has taken longer than initially foreseen. It is planned that the liquidation will take place during the first half of 2020. Therefore the annual reports 2019 of ECF Voorzieningsfondsen were based on the accounting policies of liquidation. This did not affect the valuation of the general reserve or the result of 2019 for the consolidated financial statements.

Please note that the rounding up or down of all figures to full euro amounts has caused some small rounding differences.

Consolidated balance sheet

As per 31 December 2019:

ASSETS	REF	2019	2018
Tangible fixed assets			
Premises		34,676	38,813
Refurbishment		16,350	13,535
Furniture and equipment		51,156	29,433
		102,182	81,781
Financial fixed assets	17		
Bonds		6,632,719	785,328
Shares		5,927,743	5,284,360
		12,560,462	6,069,688
Currents assets			
Accounts receivable		1,997,717	2,230,812
Deposits, cash			
Cash and bank balances		4,409,307	10,143,408
TOTAL		19,069,668	18,525,689

LIABILITIES	REF	2019	2018
Reserves	18		
Appropriated reserve		17,016,466	15,763,479
Revaluation reserve		-	-
		17,016,466	15,763,479
Current liabilities			
Received in advance		-	-
Grants payable		351,319	524,774
Other accounts payable		1,701,803	2,237,437
		2,053,202	2,762,210
TOTAL		19,069,668	18,525,689

Notes to the consolidated balance sheet as per 31 Dec 2019 (Refs 16-17)

Financial Fixed Assets (Ref 17)

	BONDS	SHARES	TOTAL
Balance at 31 Dec 2018	785,328	5,284,360	6,069,688
Acquisitions	7,997,777	7,436,902	15,434,679
Sales	-2,274,206	-8,097,032	-10,371,238
Revaluations realised	24,948	630,612	655,560
Revaluations unrealised	98,873	672,900	771,773
Balance at 31 Dec 2019	6,632,719	5,927,743	12,560,462

Reserves (Ref 18)

	GENERAL RESERVE	REVALUATION RESERVE	TOTAL
Balance as per 31 Dec 2018	15,763,479	-	15,763,479
Additions	1,275,556	-	1,252,556
Withdrawals	-22,569	-	-22,569
Balance as per 31 Dec 2019	17,016,466	-	17,016,466

INDEPENDENT AUDITOR'S REPORT

To: the Supervisory Board of European Cultural Foundation based in Amsterdam.

A. Report on the audit of the financial statements 2019 included in the annual report.

Our opinion

We have audited the financial statements 2019 of European Cultural Foundation based in Amsterdam.

In our opinion the accompanying financial statements give a true and fair view of the financial position of European Cultural Foundation as at 31 December 2019 and of its result for 2019 in accordance with the Guidelines for annual reporting 650 "Fundraising Organisations" of the Dutch Accounting Standards Board.

The financial statements comprise:

4. the balance sheet as at 31 December 2019;
5. the statement of income and expenditure for 2019; and
6. the notes comprising 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 European Cultural Foundation 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).

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

B. 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:

- Financial Report;
- Declaration of Responsibility;
- Annex A and Table 14.

Dubois & Co. Registeraccountants is een maatschap van praktijkvennootschappen. Op alle opdrachten die aan ons kantoor worden verstrekt zijn onze algemene voorwaarden van toepassing. Deze voorwaarden, waarvan de tekst is opgenomen op de website www.dubois.nl, bevatten een aansprakelijkheidsbeperking.

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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. The Director is responsible for the preparation of the other information, including the Director's Report, in accordance with the Guidelines for annual reporting 650 "Fundraising Organisations" of the Dutch Accounting Standards Board.

C. Description of responsibilities regarding the financial statements

Responsibilities of the Director/Supervisory Board for the financial statements

The Director is responsible for the preparation and fair presentation of the financial statements, in accordance with the Guidelines for annual reporting 650 "Fundraising Organisations" of the Dutch Accounting Standards Board is responsible for such internal control as the Director 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, the Director is responsible for assessing the organization's ability to continue as a going concern. Based on the financial reporting framework mentioned, Director should prepare the financial statements using the going concern basis of accounting unless the Director either intends to dissolve the foundation or to cease operations, or has no realistic alternative but to do so.

The Director should disclose events and circumstances that may cast significant doubt on the organization's ability to continue as a going concern in the financial statements.

The Supervisory Board is responsible for monitoring the financial reporting process of the organization.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment 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 e.g.:

- 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 organization's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Director;
- concluding on the appropriateness of Director'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 organization'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 organization 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.

Amsterdam, 19 June 2020

Dubois & Co. Registeraccountants

Signed on original by:
J.J.H.G. Stengs RA

Acknowledgements

The European Cultural Foundation is grateful for the longstanding partnership with the Prins Bernhard Cultuurfonds. We acknowledge the annual financial contribution – through the Cultuurfonds – from BankGiro Loterij and Nederlandse Loterij.



The European Cultural Foundation would also like to thank all our partners who have supported us so generously in 2019:

- Compagnia di San Paolo
- Fondazione Cariplo
- Open Society Foundation Europe
- Robert Bosch Stiftung
- Stavros Niarchos Foundation
- Stichting Culturele Haadstêd 2018
- Erasmus+ Key Action 2
- European Commission
- Municipalities of Novi Sad, Veszprem, Esch-sur-Alzette, Kaunas, Galway and Eleusis
- Goethe-Institut

Please visit culturalfoundation.eu/our-partners for a full list of our partners.

The European Cultural Foundation is a member of the Vereniging Fondsen in Nederland (FIN), of Goede Doelen Nederland (previously ‘Vereniging Fondsenwervende Instellingen’ (VFI)) and the European Foundation Centre (EFC). Since July 2014 we have held the CBF ‘Centraal Bureau Fondsenwerving/Central Bureau for Fundraising organisations keurmerk’ (seal of approval).



As a member of Goede Doelen Nederland, the European Cultural Foundation complies with all the necessary codes and guidelines, including the SBF-code for Good Governance and the Erkenningregeling Goede Doelen:

- [SBF-code for Good Governance](#)
- [Goede Doelen Nederland codes, rules and guidelines](#)

We also endorse the European Foundation Centre’s Principles of Good Practice. [Principles of Good Practice](#)

We have ANBI (‘Algemeen Nut Beogende Instelling’) status, which means that the Foundation’s objectives are considered to improve the well-being of the general public.

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Colophon

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|-----------------------------|--|
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| <i>Financial Report</i> | Hans-Peter Christen |
| <i>Coordination</i> | Lise Mathol |
| <i>Editing</i> | Vicky Anning, Bas Lafleur, Lise Mathol |
| <i>Image editing</i> | Marjo Borsboom, Lise Mathol |
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The European Cultural Foundation promotes a European sentiment through developing and supporting cultural initiatives that let us share, experience and imagine Europe.

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