

Annual Report 2023

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1. Introduction by the Director

Crisis and uncertainty have become the new normal across Europe. Following the Covid-19 pandemic, war arrived on our continent. On top of these immense challenges, we are also grappling with a climate pandemic, widening inequality, and deepening polarisation. The war in Ukraine has triggered high inflation and an energy crisis, as well as causing unimaginable suffering and destruction. One crisis is piling on top of another, creating unpredictable dynamics.

Beacon of hope

Throughout these times of crisis, culture has offered a beacon that has been vital to our everyday existence. It has provided hope, strength, and resilience. The European Cultural Foundation's work builds on culture's capacity to heal, to unite communities, and to find a way forward. Rather than succumbing to a permanent state of emergency, we strive to forge a state of resilience. We invest in creativity, seek opportunity, and reignite hope for the future.

As you can read in the pages of our 2023 Annual Report, our **Culture of Solidarity** initiative has remained our versatile instrument to help catalyse cross-border European activities during these uncertain times. Working with libraries across Europe, the **Europe Challenge** has also evolved into one of our core programmes to help tackle the challenges facing our continent – with even greater potential yet to be realised.

The work we have been doing to champion culture at a European level has also borne fruit. Following successful advocacy for a **Cultural Deal for Europe**, which secured more than €12 billion for culture within the European Union (EU) recovery plan, we have continued our push to make sure culture is fully integrated into EU policies and actions.

Our commitment to fostering a European public space has led to the establishment of the **Council for European Public Space**, serving as an independent think-and-do tank dedicated to advancing open, fair, and secure public discourse. The launch of **Display Europe**'s open-source media platform has amplified content from independent media across Europe, promoting media pluralism and inclusive dialogue. Through initiatives like **Re:framing Migrants in the European Media**, we have challenged dominant narratives and empowered migrant communities to share their authentic

stories, fostering diversity and inclusion in media landscapes.

As you can read in more detail in this report, programmes such as **Generation Europe** and **Tandem Regions of Solidarity** have unlocked meaningful exchanges between young Europeans and cultural practitioners, enhancing cultural resilience in marginalised communities. Our support for the **Vaha** programme also epitomises our commitment to safeguarding cultural initiatives in regions facing adversity, helping to preserve cultural heritage and community resilience in the face of myriad challenges.

Another flagship programme for us, the **European Pavilion** has been a showcase for the power of cultural expression in shaping our collective European identities, fostering a deeper understanding of our shared heritage and aspirations.

To help cultivate a European sentiment, we continue our campaign to elevate **Europe Day** as a celebration of European unity, solidarity, and purpose. The second edition of the *European Sentiment Compass* was published on 9 May 2023, focusing on how Russia's war on Ukraine tested Europe's values of openness, freedom, solidarity, and individual responsibility.

To help play our part in tackling the climate crisis, we are also mainstreaming climate action through all our operations, programmatic and advocacy efforts, finance, and communications as part of our pledge to the European Philanthropy Coalition's 'We act: Philanthropy for Climate'.

To provide opportunities for people from a range of diverse backgrounds, we also launched a joint traineeship programme, **Talents for Tomorrow**, together with Allianz Foundation, which focuses on promoting and diversifying philanthropy with a European purpose.

What did we learn in 2023?

In view of the shifting attitudes towards philanthropy, we want to redefine European philanthropy, not as a mere replication of existing models but as an improved paradigm of what philanthropy can be – a new type of shared philanthropy. Our commitments to climate action also respond to a broader call for philanthropy to enhance transparency and accountability.

The uncertainties of the last few years have presented substantial challenges to all our staff. Conflicts in Europe and the Middle East have introduced additional stress. While overall resilience and performance have remained robust, we are aware of the importance of good internal communication and exchange.

While celebrating our successes, we recognise the need for sustained efforts to ensure lasting impact and sustainability. We must prioritise accessibility and inclusivity in our initiatives, combat stereotypes and biases in mainstream media, and tackle systemic barriers and inequalities within our programmes.

Looking ahead

The year 2024 is a transitional one, concluding one strategy cycle and starting another. Our 70th anniversary provides a moment to reflect on our unique experience in cultivating a European sentiment and to devise new strategies for the future.

This year, we started looking for new office space. Our extensive search, together with other international cultural actors in Amsterdam, provided the opportunity to develop a refreshed work culture. The sale of the current premises and the move, both foreseen in the course of 2024, will offer the chance to operate differently, within a broader context and in a much more public setting.

In the past seven decades since the European Cultural Foundation was established, Europe has undergone profound changes – socially, economically, and technologically. We live in a Europe that is institutionally united and historically peaceful. Yet many challenges remain, new ones are emerging, and some almost forgotten challenges have reappeared. The era we are navigating may be the most challenging we have faced in the 70 years of our existence.

André Wilkens

Director, European Cultural Foundation
20 June 2024

2. Report by the Supervisory Board

The Supervisory Board held three meetings in 2023. Recurring points on the agenda concerned the financial reporting, development and implementation of the strategic plan 2022-2025, as well as trends in the related areas of work, such as fundraising and the relationships with our funding partners.

Other matters that the Supervisory Board dealt with in 2023 included: risk management, cooperation with partners in the Netherlands and across Europe, HR policy, investment principles, endowment-raising strategies and ECF's office location.

Role of the Supervisory Board

ECF makes a clear distinction between supervision and management in our day-to-day operations, but we are committed to ensuring joint deliberation on the fundamental issues and challenges facing the organisation.

The Supervisory Board oversees the proper execution of the Director's managerial responsibilities. Their 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.

Focus for 2023

Three Supervisory Board meetings took place respectively on 26 April (online), 1 June and 23 November 2023. Specific discussions focused on several items, including:

- Approval of the 2022 Annual Report
- Approval of the updated 2023 budget
- Decisions on Supervisory Board development and Audit Committee membership
- Relationship with het Cultuurfonds
- Exchange with the staff representation group ('Personeelsvertegenwoordiging'/'PVT')
- Self-assessment by the Supervisory Board.

Supervisory Board development

There were no changes in the Board's composition this year.

Annual self-assessment and confidential exchange with the Staff Representation Group ('Personeelsvertegenwoordiging'/'PVT')

At the 1 June meeting, the Supervisory Board carried out a self-assessment. At the 23 November meeting, they met with the newly elected Foundation's staff representation group in a confidential and informal exchange.

The Supervisory Board approved the search for a new office location and the sale of the Amsterdam premises at Jan van Goyenkade 5, co-owned with the Praemium Erasmianum Foundation.

Gerry Salole, Chair of Supervisory Board,
European Cultural Foundation

List of Supervisory Board members (as of 31 December 2023)**President**

HRH Princess Laurentien of the Netherlands (NL)

Chair

Gerry Salole (UK)

Vice-Chair

Igno van Waesberghe (NL)

Treasurer

Rob Defares (NL)

Members

Florian Dautil (F)

Esra Küçük (D)

Andrea Silvestri (I)

Catarina Vaz Pinto (PT)

Rana Zincir Celal (TR/CY)

3. Purpose, Mission and Vision

Status

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

Purpose, Articles of Association

The European Cultural Foundation adheres to Articles of Association and their Bylaws. Our Supervisory Board approved the current versions of both on 17 December 2015 and 28 May 2019. We regularly assess 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. These are **published online**.

“The objective of the European Cultural Foundation (ECF) – an organisation in the public interest – is to support and promote cultural activities of a European nature. ECF does not aim to make a profit.” Articles of Association (Article 2)

In our current context, this means that we develop and support initiatives with a focus on culture, education, climate and civil society that let people share, experience and imagine Europe.

ECF can achieve its goals by using means for activities in these different areas, by developing forward-looking connections that may be beneficial, in the broadest sense of the word, all for the purpose of fitting with the Foundation's objectives. We run our own programmes and initiatives and participate, cooperate with and support, as well as provide grants to other organisations that help us to carry out our objectives. To further our aims the Foundation acquires funds, support and contributions from

het Cultuurfonds (through which we receive contributions from Dutch lotteries), subsidies, contracts with the European Commission, donations as well as through the return on our investments.

Our Mission

ECF is committed to promoting a European sentiment through culture and common experience. Our founding fathers formulated this mission in 1954: “The European Cultural Foundation was created for the stimulation of the European sentiment, [...] to promote the development and preservation of a feeling of mutual comprehension and democratic solidarity between the peoples of Europe by encouraging cultural and educational activities of common interest.”

This mission is as relevant today as it was 70 years ago. Growing divisions are leading to fragmentation between countries and polarisation within societies. There is a threat of European disintegration. Europe needs to create a renewed sense of belonging. Promoting a European sentiment through culture and education will continue to be at the heart of what we do at ECF – not out of nostalgia but because, despite everything that has been achieved, a European sentiment is still in short supply.

Our Vision

The vision of the ECF is a united Europe that makes a positive contribution to solving the most pressing problems of our times. We are primarily a foundation for Europe that is guided by the European common good. Culture is the space where we, in Europe, understand how we can live together, realise our identities and feel at home. Culture is key to building European identities. Culture is the basis on which Europe was built and it is the glue that holds us together.

As David Sassoli, former President of the European Parliament, put it: “Culture is what brings us together while other forces drive us apart.”

4. Activities: Programmes, Public Policy, Communications including Grants, Partnerships and Donations

PROGRAMMES

ECF develops and implements initiatives in three programmatic clusters: SHARE, EXPERIENCE and IMAGINE. Through all of our programmes, we issue grants to third parties – either via open or targeted calls – but also develop our own initiatives. We also collaborate with other partners to achieve shared goals.

Theory of Impact and Success Criteria

As part of our annual work plan cycle, we evaluate all of our activities on an ongoing basis through our Theory of Impact and Success Criteria. In 2024, these criteria will also form the basis for evaluating our programmes, as well as informing our new strategy starting in 2025.

In line with our Theory of Impact, we have developed a set of five success criteria: Relevance, Ambition, Creativity, Accessibility and Sustainability. During the summer of 2023, we used these five criteria to carry out an internal review with the aim of identifying what ECF teams and management regard as successful initiatives. The results provided a point of reference for pending management decisions, as well as creating a certain level of standardisation in how we look at our programmes, processes and the design of new initiatives. The Success Criteria framework will be used as a basis for the evaluation of our strategy in 2024 and for designing our new strategy for 2025 and beyond.

In 2023, we invested in scaling up our most successful pilot initiatives. We increased the number of participants in our **Europe Challenge** initiative, working with libraries and co-funders to address the most urgent challenges across Europe. We launched an improved and expanded new model for hosting the next edition of **The European Pavilion**, and we extended our initiative for a European Public Space through the launch of the EU-funded project **Display Europe**.

As part of our long-term commitment to empower a European public space, we also worked with partners to establish the **Council for European Public Space**. Our **Culture of Solidarity** initiative remained a priority for ECF in 2023, responding to existing and new cultural emergencies across Europe, including in Ukraine. We also launched a new emergency theme supporting European initiatives that explore the role of culture in transition to fairer and greener societies.

This year, in all our activities, we had a strong focus on climate actions:

- We supported various climate action initiatives as part of the **Europe Challenge**, a joint initiative with Europe's libraries.
- To qualify for our **European Pavilion** 2024 curatorial grant, all proposals had to meet an ambitious set of sustainability criteria for their events and artistic productions.
- We implemented a range of climate-neutral policies for both our colleagues and our grantees in 2023. For example, we introduced stricter climate travel policies for all our programmes and have started to explore how to achieve climate neutrality through our staff's travel activities as soon as possible.
- Our annual climate audit has resulted in a decrease of 26.5 kilo of CO2 emissions or -37.3% in comparison to 2022.
- ECF co-financed and co-edited *Sensing Earth – Cultural quests across a heated globe*, which highlighted critical cultural and ecological questions that were picked up in a number of academic symposia, cultural festivals and public talks around the world – as well as in our own Culture of Solidarity Fund.
- ECF has been a leading partner for the European Institute of Innovation &

Technology (EIT) Culture & Creativity – a new knowledge and innovation community funded by the European Union. This initiative connects more than 50 partners – big and small – from 20 countries to support the development of innovative solutions to green, digital and social challenges in Europe.

SHARE Europe

Programme goals:

- Contributing to a European public space as a cultural sphere and an alternative to seeing the world solely through national lenses
- Providing online and physical spaces where Europeans across national borders share ideas, experiences, artistic expression or news of European relevance
- Contributing to a European media and online space that is inclusive of marginalised groups – such as refugees and migrants – and that is based on public values.

Council for European Public Space

The thing that elevates Europe from being more than a collection of countries is the free flow and exchange of ideas, culture and information across borders. The public sphere is what makes Europe European. As part of our long-term commitment towards empowering European public space, we have been working together with partners from civil society and the philanthropic sector to establish the **Council for European Public Space**.

This independent new think- and do-tank was established at the end of 2023 as a non-profit enterprise in Germany (gUG) and carries out research, publishes recommendations and develops evidence-based and politically viable strategies to advance the goal of an open, fair and safe European public space. The Council is also involved in the evaluation and sustainability plan for **Display Europe** (see following section).

In 2023, ECF supported the Council with seed funding as well as providing strategic, operational and fundraising advice.

Display Europe

Under ECF's coordination, a consortium of independent media organisations was awarded €2.3 million of EU co-funding (through the Directorate-General Connect) to set up a European media platform that makes content from independent media across Europe available for search, recommendation and translation.

In July 2023, **Display Europe – Democracy Runs on Screens** launched with a partner meeting in Amsterdam. The consortium of 17 partners created the open-source media platform 'displayeurope.eu', which launched with a press conference on 8 December 2023 in Brussels. A cooperative has been created in Austria to ensure the sustainability of the platform.

ECF and partners have jointly submitted an application to DG Connect to secure funding to build this first start up year in response to the call 'European Media Platforms'. The result of this proposal 'Display Europe 2' is expected in the first quarter of 2024.

Re:framing Migrants in the European Media

Re:framing Migrants in the European Media

was a collaboration between ECF, Leading European Newspaper Alliance, City Rights United, Eticas and ZEMOS98 and was co-funded by the European Commission. The project, which was finalised in 2023, aimed to change current media narratives through appropriate media representation of migrant and refugee communities across Europe in an inclusive and empowering way, providing a space for self-representation for migrants and refugees.

In May 2023, the **book** *SHIFT! Action for Migrating Perspectives* was launched at an event in Amsterdam (at Pakhuis de Zwijger), attended by more than 300 people. On World Refugee Day in June, a special edition of the Polish newspaper *Gazeta Wyborcza* was distributed both offline and online, reaching nearly half a million readers. The edition was produced by 20 journalists with a refugee background in Poland, in collaboration with journalists employed by the newspaper.

Europe Talks

In November 2023, a network of journalists from 27 prominent and diverse media partners from

each EU country convened in Warsaw to set the themes of the dialogue events and to develop new media formats to share the conversations between citizens.

The conversations themselves, matched through specific software created by My Country Talks, started in the second half of the year and will take place over the course of eight digital events. Four on-site events in central locations for four regions of Europe will take place in May 2024.

In the run up to the European Parliamentary elections in 2024, **Europe Talks** 2024 aims to promote participation and strengthen voter turnout in the EU Parliament elections. The initiative encourages European citizens to answer a series of questions relating to specific political themes pertinent to the elections – such as the relevance of EU institutions, citizenship rights and integration, climate change and education.

EXPERIENCE Europe

Programme goals:

- Creating a European sense of belonging through cultural and educational exchange of people and common practice
- Providing sustainable exchange tools for European experiences between citizens and between cultural professionals beyond borders and sectors.

The focal points for our cross-border collaboration and exchange programme partnerships under the EXPERIENCE cluster are protecting cultural initiatives as safe spaces in peripheral and/or authoritarian working contexts, the future of young Europeans and the role of culture in EU external relations.

After the successful conclusion of several pilot programmes in 2022, our EXPERIENCE programmes in 2023 focused on continued co-financing engagements with external partners and European networks.

Future of young Europeans

Together with Stiftung Mercator and regional governments from Germany, ECF has been co-funding a multi-annual programme since 2020 called **Generation Europe**, which offers

young Europeans (aged from 12-21) without any previous European experience a new impulse for public engagement locally, regionally and at the European level.

After several years of pandemic-related obstacles, members of 42 youth organisations from 14 European countries were finally able to take part in numerous collaborations and transnational exchanges in 2023. Two European networking events – one for leaders of youth groups across Europe and one for local youth activists themselves – set ambitious capacity building goals and European advocacy agendas for the final year of the programme in 2024.

Protecting cultural initiatives

2023 saw the successful closure of our multiannual **Tandem Regions of Solidarity** programme delivered by our long-term partner MitOst from Berlin and regional programme hubs in Bulgaria, Greece, Italy, Portugal, Switzerland and the Netherlands. During the concluding networking meeting in Sofia, Bulgaria in March 2023, around 100 community activists, cultural practitioners, artists and policy-makers from the wider pan-European Tandem network that ECF has helped to establish over the past decade explored a wide range of existing practices and policy requirements for the role and development potential of culture in the geographically remote or socio-economically marginalised landscapes of Europe. This was a cross-cutting theme that featured prominently among other ECF 2023 programme highlights, including the thematic editions of the Culture of Solidarity Fund, proposals from new rural libraries joining the Europe Challenge programme as well as some of the curatorial proposals received for the European Pavilion 2024 competition.

Since 2020, ECF and our partners from Stiftung Mercator have been co-financing the **Vaha** programme, which aims to respond to the ever-growing threats facing independent cultural spaces in Turkey. After a positive evaluation of the first edition of the programme, Stiftung Mercator, ECF, Chrest Foundation and its implementation partners zusa (Berlin) and Anadolu Kültür (Istanbul) launched a second round of Vaha in 2023.

In late summer, 23 new cultural initiatives in 10 cities and regions across Turkey were selected to participate in **Vaha II**. Three of the 10 participating regional and city hubs are located in the heavily affected earthquake areas in South-Eastern Anatolia, where maintaining cultural safe spaces has become quite a challenge. In 2024, cooperation partners from other European countries will be chosen to match and exchange knowledge and experience on cultural resilience in the growing network of local Vaha programme oases.

EU Cultural Relations Platform

Together with a consortium of European cultural institutes, cultural networks and universities under the leadership of the Goethe Institut in Brussels, ECF continued to contribute knowledge resources and networks to this EU exchange and learning platform of cultural professionals from across Europe and the world. Supported by the growing network of hundreds of alumni from Europe and all over the world who have participated in one of the ECF co-designed Global Cultural Leadership Programmes since 2016, the **EU Cultural Relations Platform** continued to provide highly relevant insights to help inform ECF's European advocacy agenda in the context of fundamentally shifting strategies around international cultural relations.

Publishing and debating critical insights from artists, activists, researchers and policy-makers collected in the ECF co-financed *Sensing Earth – Cultural quests across a heated globe* publication was a key moment for inspiring ECF's future cultural initiatives and practical measures for climate action. The 15 co-authors of the book, which was published by Valiz in June 2023, argued that environmental issues are first and foremost a matter of culture and aesthetics. Technology and science are not enough on their own to solve these problems.

In autumn 2023, a series of public talks, debates, symposia and cultural festivals from Antwerp to Amsterdam, Sofia, Brazil and the US helped us to explore the concepts and ideas discussed further. We used the deliberations and outcomes for our ongoing programming and grant making, as well as to help develop the thematic focus of the Culture and Just Transition edition of the Culture of Solidarity Fund 2023.

IMAGINE Europe

Programme goals:

- Telling the stories of Europe, its heritage and its future in the most compelling way and with an inclusive lens, using all forms of cultural expression
- Imagining a better Europe
- Supporting compelling ideas that are outside of the box but have the potential to be Europe's next Erasmus.

The European Pavilion

2023 was a pivotal year for our **European Pavilion** programme. After three fruitful years of explorations, prototyping and trials that resulted in numerous brainstorming and co-creative sessions, the production of a podcast, the awarding of artistic grants to 10 European Pavilion 'studios' and the 2022 Rome pilot edition, the programme offered a substantially improved and enlarged organisational model for hosting the next European Pavilion.

In May 2023, we launched a commissioning process for curating and hosting **The European Pavilion 2024**. An internationally renowned jury consisting of Sepake Angiama (UK), Ferran Barenblit (SP), Máté Gáspár (HU), Hassan Mahamdallie (UK), Teja Reba (SL), Françoise Vergès (FR) and Olga Wysocka (PL) was tasked with shortlisting and selecting five finalists to compete for a commissioning grant of €500,000.

Over the summer, the European Pavilion team received 39 proposals from organisations in more than 20 countries. The proposals addressed a wide variety of themes, such as affirming the need to broaden Europe's identity, drawing on its rich diversity without forgetting its shortcomings; reclaiming Europe's future as a space of possibilities and imagining new places of conviviality and resilience; envisioning a paradigm shift that gives impetus to non-hierarchical structures and sustainable lifestyles, and the role of the arts in this.

The jury paid particular attention to the originality and relevance of the proposed artistic format for discussing European issues, the central role given to artists and their working conditions, the different communities that the project would have the potential to reach across

Europe, and the potential legacy of hosting The European Pavilion 2024. The winning proposal was announced in February 2024.

Stories of Europe

In 2023, we reviewed and re-designed our ongoing financial support for the **International Documentary Film Festival Amsterdam (IDFA)** and its '**Life in Europe**' programming. After fine-tuning and re-focusing some of the public outreach events and screenings co-financed with ECF support, we managed to extend our support to both the 2023 and 2024 festival editions, which will conclude our support for IDFA in this strategic period. We also continued and concluded our collaboration with the public debate centre De Balie in Amsterdam by acting as the main sponsor of their **Forum on European Culture** in June titled '**Culture of Democracy**'.

The Europe Challenge

The **Europe Challenge** is a key programme that brings together libraries and communities in 'Challenge Teams' to work together on today's most pressing challenges and to identify solutions that can be replicated across Europe. The 2022-23 Europe Challenge cohort launched in May 2022 and was supported by Fondazione Cariplo (IT) and Scottish Library and Information Council (UK). The programme included 32 libraries and communities from 14 countries and 29 different locations.

Over the course of the year, online and offline opportunities were provided to the Challenge Teams, including funding advice, learning exchanges with other libraries and communities across Europe, one-to-one online coaching in community engagement, collaborative design and storytelling tools.

In March 2023, the teams came together to present their ideas and prototypes at a final event at the Public Library Amsterdam (OBA). The Challenge Teams' initiatives, which were reflected in a final **publication** entitled *Sense of Belonging, 39 Initiatives that foster European libraries as democratic spaces* are estimated to have benefitted communities of more than 400,000 Europeans of all ages and from all walks of life.

The 2024 edition – including 57 libraries and communities from 24 different countries – launched in January 2024 and is supported by Fondazione Cariplo (IT), the Scottish Library and Information Council (UK), The Arts Council England (UK) and the Postcode Lottery Germany (DE). The 2024 implementation partners are Including Society (SA), DOKK1 Aarhus Public Libraries (DK), Changency (NL), OBA Amsterdam (NL) and Public Libraries 2030 (BE).

Culture of Solidarity Fund 2023

We launched our **Culture of Solidarity Fund** during the Covid-19 pandemic in 2020 as a multi-donor European partnership instrument to offer flexible financial support in times of growing uncertainty among Europeans, allowing us to respond rapidly to evolving cultural crises.

After the devastating earthquakes in South-East Anatolia and Syria, the Fund started 2023 by providing **cultural emergency donations** to local cultural initiatives from our collaboration networks in these regions. In 2023, we also concluded our 2022 edition supporting **regional transformation projects in Eastern Germany** and other regions of Europe with a networking meeting of all initiatives from 11 countries in Chemnitz, the forthcoming European Capital of Culture 2025.

Responding to the ongoing **crisis in Ukraine**, we continued to support the local cultural sector with co-financing solidarity initiatives across Europe. In September 2023, we concluded our partnership editions with the **European Union National Institutes for Culture (EUNIC)**, launched in 2022 and co-financed by various national cultural institutes. We issued 10 more medium-sized grants to Ukrainian projects, artistic productions and solidarity events across Europe, while we also explored increasingly challenging ways forward for pooling more resources to support cultural life in and from Ukraine.

In line with our focus on cultural responses to the climate crisis, we realised our pilot for a specific **Culture of Climate Solidarity edition**. From July to September 2023, the Fund identified experimental initiatives that are working on the theme of just transition and environmental sustainability from a specifically cultural angle by forging European transnational and/or

translocal collaborations. We selected 15 projects that will help to inform local and regional practice in Europe as we begin to move towards a greener, more sustainable and fairer future.

Growing climate-related challenges in various regions of Europe during the summer of 2023 also paved the way for a follow-up edition with our partner foundations from **North-West Italy**. We launched a call for initiatives that respond to issues of culture and just transition in the Alpine and Mediterranean regions of Lombardy, Piemonte, Aosta and Liguria.

PUBLIC POLICY

ECF advocates for a central position for culture in public opinion and in policies – from the local to the European level. Advocacy is a means to advance our mission and to achieve our programmatic goals. We aim to influence public policy and decisions on priorities and resource allocations within political and philanthropic institutions.

A Cultural Deal for Europe

A **Cultural Deal for Europe** is our flagship policy campaign, initiated in 2020 by ECF, Culture Action Europe and Europa Nostra. In 2023, we developed and adjusted our eight key policy demands, released a new statement, organised an annual policy conversation – dedicated to the heroic people of Ukraine – and established a dedicated **[Cultural Deal landing page](#)**.

The annual policy conversation 2023 ‘Culture is the new energy for Europe’ (28 February, Bozar, Brussels) discussed the value of culture for democracy and its place in Europe. European Commission Vice-President Margaritis Schinas delivered a passionate keynote address before 120 participants affirming that culture and arts are at the heart of EU civic and social objectives, shaping what we stand for: freedom, tolerance and respect for differences.

MEP Sabine Verheyen, Chair of the European Parliament’s Committee on Culture and Education, concluded the event with the following words: “It is very important to be here today and to see so many people engaged in

working for the European dimension of culture, and showing how culture is Europe’s ‘glue’.”

Looking ahead to the 2024 European parliamentary elections, in October the campaign addressed a letter to Members of the European Parliament, European political parties and future candidates calling for culture to be included in their political manifestos and public debates.

A European Cultural Deal for Ukraine

Ukraine deserves a **European Cultural Deal**. Together with our campaign partners Culture Action Europe (CAE) and Europa Nostra, ECF continued to support Ukrainian cultural stakeholders individually while calling on the EU to include Ukraine’s culture, cultural heritage and creative sectors in EU relief packages and the future Ukraine Facility (2024-2027) worth €50 billion. We advocated for 2% from the Ukraine Facility to be dedicated to the recovery and reconstruction of Ukraine’s cultural infrastructure while addressing the Ukrainian government calling for culture to be included in its recovery plan. Both the EU and Ukraine received our plea with enthusiasm. However, its practical implications will only be known after final political decisions on the Ukraine Facility are taken in 2024.

European Sentiment Compass 2.0

The second edition of the **European Sentiment Compass**, a joint initiative by ECF and European Council of Foreign Relations, explored how Europe is responding to the challenges that Russia’s war on Ukraine constitutes for European values and culture. Until spring 2023, the European Sentiment remained remarkably strong, in line with Europe’s solidarity and unity in response to Russia’s invasion. The Compass, launched on Europe Day (9 May) during an online debate, was echoed in online media in 15 different languages.

CrAFT – Creating Actionable Futures

CrAFT is a three-year project (2022-2025) funded by the EU’s Horizon Europe programme placing the transition to climate neutrality at the heart of urban stakeholders. As one of eight project partners, ECF is responsible for the storytelling campaign and support to local and European

policy-makers. On 6 December, we organised an online mobilisation session bringing together city and culture representatives to exchange experiences on the contribution of arts and culture to inclusive, creative and sustainable urban spaces.

EIT Culture and Creativity

ECF is a member of the EU's Knowledge and Innovation Community on Culture and Creativity, set up as a transnational, interdisciplinary platform that connects key stakeholders of the Knowledge Triangle – Research, Education and Business – to strengthen innovation and sustainability of culture and the cultural and creative industries. In 2023, the European Institute for Innovation & Technology (EIT) Culture and Creativity's start-up year, ECF led a Strategic Topic Group on a European Public Space and represented the topic together with the Cariplo Foundation (Milan) philanthropy in the EIT Culture and Creativity Investment Network.

Strategic Memberships

ECF is a member of several philanthropic, policy and civil society platforms that share our vision and values and foster our goals and objectives: Culture Action Europe (CAE), Edge Funders, EIT Culture & Creativity, Europa Nostra, European Heritage Alliance, European Policy Centre, Friends of Europe, New European Bauhaus, Philea and the Dutch philanthropy networks FIN and Goede Doelen.

In 2023, Philea's Arts and Culture Thematic Network published [*Arts and Culture at the Core of Philanthropy*](#), Volume 2.

COMMUNICATIONS

The aim of ECF's communications is to make our mission, story and initiatives publicly accessible to our target groups in the most relevant and compelling format. We believe in hope-based communications, offering our communities different perspectives rather than wearing them down with statistics and policies.

Our Communications team supports ECF's programmatic, public policy and operational activities as well as our corporate objectives. Highlights in 2023 included the launch of Displayeurope.eu, new editions of the Culture of Solidarity Fund, the calls for The European Pavilion and the Europe Challenge, and the Cultural Deal for Europe campaign, as discussed in more detail above.

During 2023, we also finalised a new community engagement plan to help build on our relations with and among community members, increasing our interactivity and visibility.

Europe Day

For **Europe Day** on 9 May 2023, we hosted an event for ECF and our friends in Tolhuistuin in Amsterdam, complete with musical performances, debate and the live semi-finals of both the Champions League and the Eurovision Song Contest. During the day, we offered a variety of streaming programmes on the platform Europeday.eu – a dedicated website that also launched the first Europe Day **events** agenda featuring activities across Europe, including events organised by ECF grantees and partners.

Campaigns

The Europe Day campaign to raise awareness of the day's importance reached an estimated 1.5 million people across Europe and attracted more than 9,000 visitors to the europeday.eu website.

In the first months of 2023, we conducted an in-depth survey among ECF's newsletter audience, which offered vital insights on community engagement questions, donation preferences and newsletter appreciation. In the final quarter, we conducted a targeted #GivingTuesday campaign in the Netherlands.

Publications

Our **annual magazine** *Common Ground* appeared in printed and digital format. In total, it was distributed to over 1,200 readers.

In May, we disseminated ***Kansen benutten, kansen scheppen*** ('Seize opportunities, create opportunities, Thoughts on the European dimension of Dutch cultural policy'), a new memorandum that contributes to the revision of cultural policy and the policy framework for international cultural relations.

Later in the year, we joined the initiative for a joint call to highlight culture in the Dutch Parliamentary elections in November 2023, including an event with Dutch Parliament members in Utrecht. We collaborated with *Parliament Magazine* in their 'Final Push' edition with key files on the agenda for the end of the European Parliament mandate.

In October, we supported the launch of the English translation of ECF's former Supervisory Board Chair Rien van Gent's new book *Philanthropy back to the drawing board*.

Partnerships and owned channels

We continued to develop our activities to highlight our news, programme stories and activities, and to contribute to the discourse on the role of culture in Europe. We set up media partnerships with the photo project The Europeans, the Europeans podcast and the theatre company De Kiesmannen for their 2023 theatre tour across the Netherlands.

We improved ECF's websites, which attracted more than 140,000 unique users in 2023 (+17% compared to 2022). Our social media activities (LinkedIn, Facebook, Instagram and Twitter) reached a record 114,000 followers and our monthly digital newsletters reached on average 20,000 subscribers in 2023.

Community impact map

The ECF community includes grantees, cultural organizations, policymakers, foundations, donors, government officials, project participants. ECF supports its community through comprehensive resources such as information about supported projects, news, reports, networking events and debates, via newsletters and online platforms. On **this page** the impact map of our community in 2023 is presented.

On the next page you will find an overview of our grants, partnerships and donations.

Grants, Partnerships and Donations 2023

SHARE Europe	€
<i>Migrants in Media (EU)</i>	
Stichting Here to Support	46,258
Movies that Matter	12,500
Sara Lemlem	15,000
ZEMOS98	34,050
<i>European Public Space</i>	
Lit:pots - Panel at LIT: Potsdam 2023	5,000
Il Filo di Arianna srl	10,000
<i>Display – project consortium partners</i>	
European Society for Education	12,000
Cultural Broadcasting Archive - Verein zur Förderung digitaler Kommunikation	329,004
Fairkom Gesellschaft	490,111
Eurozine - The Netmagazine	342,961
Voxeurop SCE	206,583
Hostwriter - Tabea Grzeszyk	107,790
Krytyka Polityczna	83,573
Diario de Prensa Digital, S.L.	112,070
Good Conversations GMBH (Helmut-Schmidt-Haus)	57,830
Stichting Public Spaces	30,430
Community Media Forum Europe	224,946
Vereniging Investeer in Human – VPRO	60,062
<i>Display – grantees</i>	
ANTXETA IRRATIA	12,000
Stichting Here to Support	12,000
Lazy Women	9,500
Zavod Radio Student	12,000
Babel International	9,816
BAGABAGA STUDIOS	11,612
Radio Pulsar	12,000
<i>Europe Talks</i>	
Fundacja Gazety Wyborczej ul.	105,720
Good Conversations GMBH (Helmut-Schmidt-Haus)	238,560
<i>Service fees paid to the cultural/creative sector</i>	168,510
Total SHARE:	2,771,885

EXPERIENCE Europe	€
<i>Vaha Programme</i>	
MitOst (zusa)	75,000
<i>Generation Europe Next</i>	
IBB-internationales Bildungs und Begegnungswerk	100,000
<i>Service fees paid to the cultural/creative sector</i>	2,057
Total EXPERIENCE:	177,057

IMAGINE Europe	
<i>Culture for Climate Fund</i>	
Valiz	2,084
<i>European Pavilion</i>	
Stichting Passaros	300,000
<i>The Europe Challenge</i>	
36 Europe Challenge libraries*	310,223
OBA-The Europe Challenge 2023 - Live Event	54,000
Aarhus Public Libraries DOK1 - Next Library Conference	10,600
<i>Culture of Solidarity Fund</i>	
EUNIC – 2nd round*	130,574
Culture of Solidarity – Just Transition*	358,285
<i>European storytelling</i>	
IDFA	60,000
<i>Donations</i>	
Action for Hope	20,000
Ettijahat Independent Culture	20,000
<i>Service fees paid to the cultural/creative sector</i>	117,409
Total IMAGINE:	1,383,175

* [*full overview on community impact map*](#)

PUBLIC POLICY	
<i>POLICY ADVICE-Leverage EU policy and funding</i>	
Culture Action Europe	35,000
European Council on Foreign Relations (ECFR)	55,125
Miscellaneous	350
<i>Service fees paid to the cultural/creative sector</i>	96,525
<i>Memberships</i>	29,858
Total PUBLIC POLICY:	216,858

PRESS & MARKETING	
Stichting Prospektor	12,100
Stichting DE MO Kiesmannen	6,050
Stichting Podcastnetwerk	2,500
<i>Service fees paid to the cultural/creative sector</i>	125,922
<i>Memberships</i>	350
Total PRESS & MARKETING:	146,922

TOTAL GRANTS & PARTNERSHIPS:	4,695,897
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5. Interaction with Stakeholders

Donors, funders and partner organisations

ECF receives funding from a number of different sources, ranging from European Commission and other public organisations, governments and not-for-profit organisations, donors and Dutch lotteries. Contributions from the Dutch lotteries are distributed through het Cultuurfonds. An overview of all funds received by source is included in the Foundation's annual accounts (chapter 10).

ECF maintains good and regular contact with all of these organisations at a director and programme level. Our communications are ongoing, with regular updates on new developments and potential for collaboration. For all partnerships, a contract is agreed and valuation mechanisms are in place.

Grantees

By supporting grantees through our programmes across Europe, ECF not only enables the recipients to fulfill their plans, but also strengthens our mission to support the European sentiment. We maintain contact with a large number of grantees through our network and social media channels. Additionally, some grantees may become partners or participants in other ECF projects, or they may become contributors to one of our publications or apply for another grant.

6. Income

The European Cultural Foundation has three main sources of income:

1. Income from the lotteries

Through a long-standing agreement with het Cultuurfonds (CF), renewed most recently on 2 February 2012, the Foundation receives 25% of het 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 and have managed to diversify our income sources. Not all income received from the above-mentioned parties is considered fundraised income, according to the definition of the Centraal Bureau Fondsenwerving (CBF, Central Bureau for Fundraising organisations) that issued its 'keurmerk' - recognition hallmark - to ECF in 2014.

3. Income from ECF's securities portfolio

The European Cultural Foundation has a reserve in the form of a securities portfolio, which is managed by an external 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 to operate for a limited period in case there is a drop in income.

Income in 2023

Income in 2023 consisted of lottery funding through het Cultuurfonds, fundraising (contributions from profit/non-profit and government sources) and of income on ECF's securities portfolio. ECF's total income before securities and interest in 2023 was €7,491,272 compared to €6,210,316 in 2022.

This income was €78,365 below the total budgeted income of €7,569,638. Due to a gain of €1,625,339 on securities and interest the total income after securities and interest was €9,116,611 at year-end 2023.

Third-party income

The total third-party income for 2023 was €4,904,845 compared to €5,360,804 in 2022. This amount includes income from het Cultuurfonds and other non-profit organisations. It excludes income from governments and interest and income from investments. Income from het Cultuurfonds for 2023 was €4,903,272 compared to the budgeted amount of €4,984,804. For 2023, income from the other third parties was €1,573 compared to €552,671 in 2022. Various activities related to ECF projects **Culture of Solidarity** and to the **Europe Challenge** were postponed to 2024. External funds for these activities, representing €400,000 and €175,000 respectively in the budget 2023, are now included in the budget 2024.

Income from government subsidies

Income from public resources and governments was €2,585,154 in 2023 compared to €844,715 in 2022. The budgeted amount was €2,009,834. Actual income was lower due to a deferring part of the EU contribution for the **Display** project to 2024. The expenditure for the project remained aligned with the 2023 contribution.

7. Codes, Rules and Guidelines of the Organisation

Since July 2014, the European Cultural Foundation has held the CBF's (Central Bureau for Fundraising organisations) Recognition Hallmark for fundraising organisations. Since then, as a member of Goede Doelen Nederland, the European Cultural Foundation complies with all the necessary codes and guidelines, including the annually reviewed code for good governance (issued by the FIN, the Dutch Alliance of Philanthropic organisations) and the 'Erkenningspaspoort Goede Doelen'.

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

Management, supervision and execution

The European Cultural Foundation makes a clear distinction between management, supervision and execution. The Supervisory Board appoints and supervises the Director. While the Director has managerial responsibilities, the Supervisory Board oversees the proper execution of these responsibilities. The Foundation's employees carry out the day-to-day tasks.

A. Management (ECF's Director)

B. Supervision (ECF's Supervisory Board)

C. Execution (ECF'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.

B. Supervision

Supervisory Board's responsibilities

The Supervisory Board is the European Cultural Foundation's supervisory body. The Foundation's Articles of Association and Bylaws state the roles and responsibilities of the Supervisory Board.

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 reporting of the Director and the Chair of the Supervisory Board in the ECF Annual Report)
- appointing the Foundation's Director, members of the Supervisory Board and the President.

The 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 Supervisory Board members of the Executive Committee renewable twice (maximum 12 years).

Recruitment/Selection

Appointments for the European Cultural Foundation's Supervisory Board are based on core criteria, including expertise, international perspective, cultural, regional and demographic diversity, and access to 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 questions 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. The Audit Committee, which meets at least twice a year, advises the Supervisory Board on matters including financial reporting, internal risk management and checking systems, the role and functioning of the internal audit function, and the application of information and communication technology (ICT).

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 made 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 hallmark.

C. Execution

Employees' responsibilities

The Management Team, together with their respective teams, is responsible for the implementation of the Foundation's strategy. Employees develop and execute the Foundation's activities, procedures and policies as outlined in the annual work plan and five-year strategy. The employees' tasks and responsibilities are defined according to structured job profiles that are assessed during regular annual performance reviews.

Evaluation

Growing a European sentiment, a European sense of belonging, remains our mission and relates to all our activities. We know that this is ambitious and ultimately never completely achievable. It is a promise.

While it is hardly possible to attribute the impact of ECF's work to the development of the European sentiment, we need to understand how the European sentiment is developing, what are the key drivers and what this means for ECF's current and future initiatives. For this reason, we started the **European Sentiment Compass** – a multi-annual research project in partnership with the European Council on Foreign Relations, which published its first edition in 2022. The second edition was published on May 9 of 2023. We use insights from the research to update our strategy and work plan.

Defining our expected impact is an important and ongoing process. It is not about perfection or being right. It is about making assumptions and imagining a process where impact is achieved. It will always be imperfect and a work in progress. We are committed to evaluation, to improve

our initiatives, gain tangibility and increase our impact. We are keen to learn from our programmes and partnerships and to share the results with our community and in the broader European context.

An example of an evaluation mechanism is the narrative and financial reporting provided by the grantee at the end of a project. 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.

Theory of Change

Our Theory of Change clarifies the relationship between our Programme initiatives, our Public Policy and Communication activities. We have developed a set of five success criteria: Relevance, Ambition, Creativity, Accessibility, and Sustainability. These criteria create transparency about what we regard as successful initiatives, become a point of reference for management decisions, create a certain level of standardisation in how we look at our initiatives, design new initiatives, and improve the steering of running projects.

8. HR, IT and Facilities

Operations

Our Operations Department (including Human Resources, IT and Facilities) ensures that the appropriate policies, plans and tools are in place to enable our organisation to function effectively. The Operations Department advises and supports our Director, managers and staff and leads a number of internal projects, such as our office move.

Premises and digital facilities

In 2023, we put our premises up for sale, following a decision by the Supervisory Board and Management Team taken in 2022. In parallel, we started looking for new premises and teamed up with partner organisations in Amsterdam. This led to a coalition of four organisations that plan to move into the same premises, creating a shared working and programming space.

On the digital side, we prepared our transition from a local server to a cloud-based platform, delivered March 2024. This included an upgrade of our IT safety and security policies.

In order to meet the organisation's needs and data protection compliance, we started the process of replacing our current Customer Relationship Management (CRM) system with a new system, which will be integrated with specific tools and applications that we need for our operations.

In order to meet the demands of the growing **Culture of Solidarity** Fund, we also invested in an updated grants management system and in our grants coordination team, as well as increasing our digitally supported process capacity.

Our energy consumption and carbon footprint

In 2023, we reduced the number of flights taken by our colleagues and increased the amount of train travel. The CO₂ emissions of all our travel and hotel use combined amounted to 44.5 kg (compared to 71 kg in 2022). These emissions were offset with a contribution of €1,024 through Atmosfair, a certified non-profit organisation that supports climate mitigation technologies in developing countries. Atmosfair plans, finances

and carries out these projects with local partners according to the rules and procedures outlined in the Clean Development Mechanism (CDM) of the Kyoto Protocol and the 'Gold Standard' established by the international community of environmental non-governmental organisations.

Our energy consumption related to our premises is based on CO₂-compensated gas. This compensation is carried out by our energy provider. In 2023, we used 9,023 kg of CO₂ on heating our premises, compared to 12,790 kg in 2022 and 15,320 kg in 2021.

Human Resources

At the end of the year, we had 26.65 full-time equivalent (FTE) employees, with an annual staff turnover of 11%. We welcomed two interns as well as one trainee, who participated in the pilot programme **Talents for Tomorrow**, which was developed in partnership with Allianz Foundation. Absence figures among our employees stood at 2.37% of total working days, which is considerably lower than last year and compared to the national average.

Integrity Policy

Our Integrity Policy, including a Code of Conduct and Grievance Procedure, is available on our [website](#). Before joining ECF, new employees have to sign our Code of Conduct. If any of our employees are victims of unwanted behaviour, they are encouraged to consult their manager, the internal integrity officer or an external trust contact person. In 2023, the external trust contact person and internal integrity officer were engaged in one consultation.

9. Positions and Functions of Supervisory Board Members

Below are the relevant honorary/paid positions of ECF's Supervisory Board.

President

HRH Princess Laurentien of the Netherlands (NL)

Number 5 Foundation, The Hague - Co-founder and Director

Reading Unlimited (Vereniging Onbeperkt Lezen), The Hague - Patron

Dutch Language Society (Genootschap Onze Taal), The Hague - Patron

Centre of Expertise inclusive education (Expertisecentrum inclusief onderwijs), 's Hertogenbosch (NL) - Patron

Association of Public Libraries, The Hague - Honorary Chair

Fauna & Flora International, Cambridge, - President

Rewilding Europe, Nijmegen (NL) - Special Advisor

FutureNL, The Hague - Member of the Board

Better Time Stories, The Hague - Patron

Chair

Gerry Salole (UK)

Evens Foundation, Antwerp - Board Member

UniCredit Foundation, Milan - Board Member

Impact Trust, Cape Town and London - Board Member of both SA and UK Board

Center of African Philanthropy and Social Investment, Business School, University of the Witwatersrand, Johannesburg - Member of the Advisory Board

Africa Europe Foundation, Friends of Europe, Brussels - Strategic Advisor

AfroBarometer, Pan African based in Accra (GH) - Member of the International Advisory Council

Wits Business School, University of the Witwatersrand, Johannesburg - Visiting Adjunct Professor (from 1 September 2023)

Vice-Chair

Igno van Waesberghe (NL)

Various investment entities managed by Cerberus Capital Management, New York - Independent Director

Edgerston Trading (2006) Limited, Kelso, Scotland - Director

Van den Berch van Heemstede Foundation, The Hague - Board Treasurer (until 20 November 2023)

Learning 4 Life Foundation, The Hague - Board Member (until 22 February 2023)

Polish Culture NL Foundation, Amsterdam - Chair/Member of the Supervisory Board

Stichting Tahames Foundation, Amsterdam, Member of the Board (from 14 August 2023)

Treasurer

Rob Defares (NL)

IMC B.V., Amsterdam - CEO

IMC Weekendschool, Amsterdam - Board of Trustees Chair

MCA 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

Members

Florian Dautil (F)

Advisor to the French minister in charge of youth and universal national service, Paris
 City of Saint-Ouen, Saint-Ouen (F) - City Councilor
 Ecole Polytechnique, Palaiseau (F) - Lecturer
 La Miel, Saint-Denis (F) - Board Member

Esra Küçük (D)

Allianz Foundation, Berlin - Chief Executive Officer
 Schwarzkopf Foundation Young Europe, Berlin - Chair
 Pro Helvetia, Zürich - Member of the Board of Trustees
 Hessische Kulturstiftung (Hessian Cultural Foundation), Wiesbaden - Member of the Board of Trustees
 Thalia Theater, Hamburg - Member of the Supervisory Board
 Stiftung Genshagen (Genshagen Foundation), Genshagen (D) - Member of the Advisory Board
 Deutsche Postcode Lotterie (German Post Code Lottery), Düsseldorf - Member of the Advisory Board
 Thomas Mann House, Berlin - Member of the Jury
 Tarabya Cultural Academy, Istanbul - Member of the Jury
 German Commission for UNESCO, Bonn - Member

Andrea Silvestri (I)

University of Turin, Italy - General Director
 Ashoka Italy, Rome - Member of the Advisory Board
 COINFO – Italian Universities Consortium for Education, Scientific Committee - Member
 CODAU – Italian Association of University Directors, Education Commission - Member

Catarina Vaz Pinto (PT)

AMEC - Associação Música - Educação e Cultura (Association Music – Education and Culture), Lisbon
 - President of the Advisory Board
 Artemrede - Teatros Associados (Artemrede – Associated Theatres), Santarém (PT) - Member of the Advisory Board
 Fundação Arpad Szenes – Vieira da Silva Foundation, Lisbon - Member of the Board of Trustees
 Izmir Metropolitan Municipality Mediterranean Academy, Izmir, Turkey - Member of the Board

Rana Zincir Celal (TR/CY)

Robert Bosch Stiftung GmbH, Stuttgart - Advisor (Inequality)
 The Social Investment Business, London, Equality Impact Investing Project
 Global Dialogue, London - Advisor
 Greenpeace Mediterranean, Istanbul - Board Member
 Lankelly Chase Foundation, London - Advisor

10. Annual Accounts

Budget 2024

Income	Budget 2024	Actual 2023
Income third party activities*	4,984,000	4,903,272
Income non-profit organisations	885,000	1,573
Income from government subsidies	2,538,543	2,585,154
Other income	-	1,274
	8,407,543	7,491,272

Expenses		
Expenditure Committed To Purpose		
Share Europe	3,545,034	3,317,582
Experience Europe	423,624	288,206
Imagine Europe	3,403,644	2,416,148
	7,372,303	6,021,935
Public Policy	924,832	877,481
Communication	758,001	763,926
Costs of Generating Income	349,013	273,186
Management and Administration		
Finance	174,894	154,988
Operations	550,500	352,687
Operations (redistribution of costs)**	(550,500)	(352,687)
Governance	36,000	22,506
Overhead	559,907	450,681
Total expenditure	9,615,043	8,114,023
Result before Interest and income from investments	(1,207,500)	(622,751)
Interest and income from investments	647,500	(1,625,339)
Result after Interest and income from investments	(560,000)	1,002,588
Extraordinary income (Sale premises)	5,400,000	-
Surplus / (Deficit) including extraordinary income	4,840,000	1,002,588

* This is the contribution, through het Cultuurfonds, from the Vriendenloterij and the Nederlandse Loterij Organisatie (Lotto/Staatsloterij).

** See also page 43 and 44 on redistribution of costs under Operations.

Balance sheet

As per 31 December 2023:	Ref	2023	2022
Assets			
Tangible fixed assets	1		
Premises		28,052	28,948
Refurbishment		9,238	14,436
Furniture and equipment		37,860	28,265
		75,150	71,649
Financial fixed assets	2		
Fixed Income Investments		7,775,877	8,530,503
Equity Investments		9,030,971	7,161,546
		16,806,848	15,692,049
Currents assets			
Accounts receivable	3	3,304,980	1,848,248
Deposits, cash			
Cash and bank balances	4	1,219,072	1,565,269
Total		21,406,050	19,177,215
Liabilities			
Reserve	5		
General reserve		18,094,736	17,092,148
Current liabilities	6		
Received in advance		24,895	320,000
Grants payable		2,027,091	744,512
Other accounts payable*		1,259,327	1,020,555
		3,311,313	2,085,067
Total		21,406,050	19,177,215

Statement of income and expenditure

	Ref	Actual 2023	Budget 2023	Actual 2022
Income				
Income from third parties		4,903,272	4,984,804	4,808,133
Income non-profit organisations	7	1,573	575,000	552,671
Income from government subsidies	8	2,585,154	2,009,834	844,715
Income from individuals		1,274	-	4,797
Total income		7,491,272	7,569,637	6,210,316
Extraordinary income		-	-	-
Total income		7,491,272	7,569,637	6,210,316
Expenses				
Expenditure Committed to Purpose				
Share Europe		3,317,582	1,259,331	1,125,019
Experience Europe		288,206	227,146	388,479
Imagine Europe		2,416,148	4,503,450	3,313,547
		6,021,935	5,989,927	4,827,044
Public Policy		877,481	818,190	726,984
Communications		763,926	715,720	621,396
Total Committed to Purpose	9	7,663,342	7,523,837	6,175,425
Costs of Generating Income	10	273,186	325,217	273,849
Management and Administration Finance	11	154,988	165,584	138,647
Operations	12	-	-	-
Governance	13	22,506	30,000	28,243
		450,681	520,801	440,739
Total expenses		8,114,023	8,044,638	6,616,163
Result before Interest and income from investments		<u>(622,751)</u>	<u>(475,000)</u>	<u>(405,848)</u>
Interest and income from investments	14	1,625,339	475,000	(2,447,924)
Result		1,002,588	<u>0</u>	<u>(2,853,772)</u>

The result of €1,002,588 will be added to the general reserve.

Cash flow from operating activities	Actual 2023	Actual 2022
Result	1,002,588	(2,853,772)
Depreciation tangible fixed assets	20,155	27,106
Movements in accounts receivable	(1,456,732)	552,452
Movements in short-term liabilities	1,226,246	(164,518)
Cash flow from operating activities	792,257	(2,438,732)
Cash flow from investment activities		
Additions to tangible fixed assets	(23,656)	(22,181)
Movements in financial fixed assets	(1,114,799)	(2,379,506)
Cash flow from investment activities	(1,138,455)	(2,357,325)
Movements in liquid assets	(346,197)	(81,406)
Opening balance liquid assets	1,565,269	1,646,676
Closing balance liquid assets	1,219,072	1,565,269
Movements in liquid assets	(346,197)	(81,406)

Financial and accounting policies

General

ECF is an operating and grant-giving foundation. Its core income is received from het Cultuurfonds (CF). Other income is derived from grants, subsidies, donations and ECF'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 ECF alone or in partnership with other organisations in line with ECF's strategic plan 2021-2025 and the annual work plan.

Result and developments 2023

At year-end 2023 ECF showed a surplus of €1,002,588. This result is primarily due to a substantial gain on the ECF portfolio of €1,625 million (budget €475K). The net result excluding the return on securities showed a €39K deficit at 31 December 2023.

The positive result of €1,625,339 on the portfolio is for the main part an unrealized profit on the revaluation of fixed income investments (€369,631) and equity investments (€683,864). Next to this ECF recorded a realized gain of €479,459 in 2023.

The total expenditure of 2023 was €8,114,023, of which an essential part (€2,908,165) was spent on ECF's initiative **European Public Space**: the **Display 1** project. The result before securities and interest was a deficit of €622,751, compared to a budgeted deficit (before securities and interest) of €515,000. ECF budgeted a gain of €475,000 on the securities portfolio for 2023.

	Actual 2023	Budget 2023	Actuals 2022
Total expenditure	8,114,023	8,044,638	6,616,163
Expenditure Committed to Purpose	7,663,342	7,523,837	6,175,425
Expenditure Committed to Purpose as % of total expenditure	94.45%	93.53%	93.34%

Overhead costs

Expenses are incurred for the costs of Generating Income (Fundraising) and Management and Administration costs (Finance, Operations and Governance) in order to execute ECF's objectives. ECF aims to cover all overhead expenses from returns on our invested reserve (income from securities). This allows ECF to use all other income for purpose-related activities.

Detailed overview of overhead costs

In 2023, ECF's overhead expenditure included fundraising costs, finance costs and operations and governance expenses. All expenditure under Operations is redistributed to Programmes or recharged to Stichting Praemium Erasmianum. See also page 41 and 45 on the redistribution- and recharges of costs.

The total overhead expenditure in 2023 was €450,681 compared to €440,739 in 2022.

Overhead expenses comprised 5.55% of the total expenditure in 2023.

	Actual 2023	Budget 2023	Actual 2022
Overhead expenses	450,681	520,801	440,739
Total expenses	8,114,023	8,044,638	6,616,163
Overhead as % of total expenses	5.55%	6.47%	6.66%

Over the last 3 years ECF limited its overhead expenditure to a maximum of 8% of total expenditure. In 2023, ECF budgeted a percentage of 6.47% on a budget of €8,044,638. Due to a higher total expenditure recorded in 2023, the actual percentage of overhead costs represented 5.55%.

Allocation of Management and Administration costs to Expenditure Committed to Purpose

In order to allocate Management and Administration costs to expenditure Committed to Purpose, ECF uses time writing as an allocation key. Time spent on activities is tracked and allocated using a software and time-writing system.

Costs of Generating Income

The net costs for Costs of Generating Income (fundraising costs) in 2023 were €273,186 compared to €273,849 in 2022.

	Actual 2023	Budget 2023	Actual 2022
Costs fundraising (internal)	142,550	140,217	98,214
Costs fundraising third parties	49,962	75,000	70,125
Costs fundraising before CF charge	192,512	215,217	168,339
Costs fundraising contribution CF	80,675	110,000	105,510
Costs fundraising	273,186	325,217	273,849

Fundraised income *includes* income from other foundations and governments but *excludes* income from CF and securities. As per longstanding agreement, ECF contributed €80,675 to CF's fundraising costs in 2023, compared to €105,510 in 2022.

For 2023, ECF realised a total sum of external contributions by profit/non-profit- and from government subsidies of €2,588,000, while ECF fundraising costs before het Cultuurfonds charge were at €192,512 (or 7.44% of ECF's actual external income) compared to €168,339 (or 12.01% of the total of external contributions) for 2022.

For 2024 we budgeted a total amount of external income of €3,302,859, while a total fundraising amount of €268,013 was budgeted. This results in an external income/fundraising costs ratio of 8.11% for 2024.

In 2014, ECF received the CBF recognition hallmark (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 ECF's case is CF, 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 excludes income from CF.

Therefore, according to the CBF's definition, income gained through fundraising in 2023 was €2,588,000.

Managing fees securities

The costs associated with managing the assets that ECF reported for 2023 were €58,776 compared to €62,158 in 2022. As of 2021, these costs were deducted from ECF's income from securities and interest. See also page 35, 36 and 44.

Liquidity

Current assets, deposits and cash decreased in 2023 compared to 2022. The balance of liquid funds represented €1,219,072 at year-end 2023. At year-end 2022 this balance was €1,565,269.

Reserve

ECF'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.

The Dutch tax authorities confirmed the base capital of ECF ('stamvermogen') is €16,176,956 on 1 January 2023. The reserve represents the average volume of two annual budgets of €8,000,000, which should cover the risk in case the annual contribution from the Lotteries (received through het Cultuurfonds), representing 65%-80% of ECF's budget during the last 10 years, would be jeopardized by market shifts or changes in Lottery regulations. A structurally decreasing contribution from the Lotteries would also have a negative effect on ECF's capability to match-fund activities co-financed by external partners or for projects initiated by the European Commission.

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.

Basis 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.

Cash flow – indirect method

The cash flow analysis is based on the indirect method. It connects the result of statement of income and expenditure with the incoming and outgoing cash flows of the balance sheet.

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

ECF's main source of income is from het Cultuurfonds (CF). This is recognised in a statement from CF, which indicates the amount of funds ECF has received from the Vriendenloterij and the Nederlandse Loterij Organisatie (Lotto/Staatsloterij). In line with RJ650 regulations regarding the recognition of lottery income (received by ECF through CF), the recording of income has to be in line with the period in which the actual lottery proceeds were generated.

According to a longstanding agreement between the two foundations, 25% of the non-designated income received from the Lotteries is passed on to ECF by CF.

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 ECF's activities using time writing as the allocation key.

Costs of Generating Income (fundraising costs) consist of salary costs and consultancy costs, and include as agreed between het Cultuurfonds and ECF, the allocation of 25% of the fundraising costs incurred by het Cultuurfonds.

Operations

All costs recorded under Operations are redistributed to 'Expenditure Committed to Purpose' or are recharged to Stichting Praemium Erasmianum (SPE).

90% spending rule

ECF is committed to spending (expenses minus fundraising income) at least 90% of our total lottery income on its purposes. Based on the average lottery income of the previous three years, ECF complied with this in 2023. See also annex 1 on page 47.

Reporting guidelines

The financial statements are prepared in accordance with Guideline RJ650 ('Richtlijnen Voor De Jaarverslaggeving' – 'Guidelines for Annual Reporting', and 'Guidelines for Fundraising Organisations'), 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.

Composition of ECF's securities portfolio and liquid funds

Interest and income from investments

In 2023, the total gain on securities and interest was €1,625,339 (or 10.4%) compared to a loss of (€2,447,924) in 2022. At year-end 2023, the total volume of the portfolio was €16,881,231. A percentage of 53.5% of ECF's portfolio represented investments in equity income investments and 46.5% in fixed income investments and liquid funds.

Since 2011, ECF has outsourced our its management activities to a third-party asset manager, Wealth Management Partners. See page 36 for more details. As of 2017, the reported income from securities and interest is net of fees charged by ECF's asset manager. These fees were €57,017 in 2023 compared to €64,764 in 2022.

The totals of all financial fixed assets are in the table below.

	31 Dec 2023		31 Dec 2022	
Equity investments	9,030,971	50.10%	7,161,546	41.50%
Fixed income investments	7,775,877	43.14%	8,530,503	49.43%
Liquid funds: saving accounts	74,493	0.41%	62,158	0.36%
Liquid funds: other accounts	1,144,579	6.35%	1,503,111	8.71%
Total	18,025,920	100%	17,257,318	100%

The composition of ECF's portfolio is in line with ECF's 'Statement of Investment Principles'. ECF 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 42.5% and 62.5% of the portfolio whereas equities may vary between 37.5% and 57.5% 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, Sustainalytics and [RobecoSAM](#).

Management of ECF's securities portfolio

Since 2011, ECF has outsourced the day-to-day management of our securities portfolio to Wealth Management Partners N.V. (WMP). Regular meetings between ECF's Treasurer, ECF's Head of 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'. The investment strategy is reviewed every three years.

External auditor – Annual Accounts

After performing the annual audit, the external auditor, Dubois & Co reports its findings to the Audit Committee. The auditor 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 is in charge of auditing the annual accounts. The European Cultural Foundation follows guideline RJ650 for the reporting of our annual accounts. As a fundraising organisation the ECF needs to adhere to these guidelines.

Appointment of auditors

The ECF annual accounts have been audited by Dubois & Co since 2013. The auditor is appointed by, and reports to, the ECF Supervisory Board, through the Audit Committee. After having issued a Request for Proposal for Auditing Services in 2020, it was decided to continue with Dubois & Co, taking into account there has been a responsible signing partner change in the audit team.

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 Dubois & Co Registeraccountants in order 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.

Notes to the Balance Sheet (Refs 1-6)

Tangible Fixed Assets (Ref 1)	Premises	Refurbishment	Furniture & equipment	Total
Historical cost				
Balance at 31 Dec 2022	179,069	362,446	728,374	1,269,888
Items no longer in use	-	-	-	-
Additions in 2023	-	-	23,656	23,656
Balance at 31 Dec 2023	179,069	362,446	752,294	1,293,544
Depreciation				
Balance at 31 Dec 2022	150,121	348,010	700,109	1,1198,240
Depreciation in 2023	896	5,198	14,061	20,155
Balance at 31 Dec 2023	151,017	353,208	714,170	1,218,395
Book value at 31 Dec 2022	<u>28,948</u>	<u>14,436</u>	<u>28,265</u>	<u>71,649</u>
Book value at 31 Dec 2023	<u>28,052</u>	<u>9,238</u>	<u>37,860</u>	<u>75,150</u>

Note: A silent reserve of €5,300,000 can be identified under 'Premises' as at the balance date based on the assessed market value of ECF's building at Jan van Goyenkade 5, Amsterdam. ECF reports this amount in this way due to the fact the ECF 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 divided proprietorship between the ECF (75%) and Stichting Praemium Erasmianum (25%).

Financial Fixed Assets (Ref 2)	Fixed Income Investments	Equity Investments	Total
Balance at 31 Dec 2022	<u>8,530,503</u>	<u>7,161,546</u>	<u>15,692,049</u>
Acquisitions	3,945,809	5,836,610	9,782,419
Sales	5,103,133	5,130,507	10,233,641
Revaluations realised	39,622	479,459	519,081
Revaluations unrealised	363,076	683,864	1,046,940
Balance at 31 Dec 2023	<u>7,775,877</u>	<u>9,030,971</u>	<u>16,806,848</u>

Note: The total balance of €16,806,848 of Financial Fixed Assets is included in ECF's portfolio overview below. The total balance of liquid funds of €1,218,971 reported separately as 'cash and bank balances' on the balance sheet (see page 29), has also been included. This resulted in a total portfolio sum of €18,025,920.

The overall result of ECF's securities portfolio, including interest income, throughout 2023 showed a gain of €1,625,339.

	Assets	Result	Result %
ECF 2023 securities	16,806,848	1,612,633	10.40%
ECF 2023 interest (saving accounts)	74,493	12,706	-
ECF 2023 portfolio total	<u>16,881,341</u>	<u>1,625,339</u>	9.68%
ECF 2022 securities	15,692,049	(2,444,131)	(13.50%)
ECF 2022 interest (saving accounts)	62,158	(3,793)	
ECF 2022 portfolio total	<u>15,754,207</u>	<u>(2,447,924)</u>	(13.50%)

Current Assets (Ref 3)

	31 Dec 23	31 Dec 22
het Cultuurfonds	1,722,037	1,172,510
Commitments by funders	1,397,022	527,570
Deferred expenses	117,732	98,352
Prepaid expenses	19,723	21,044
Interest to receive	4,784	-
Other	43,682	28,772
	<u>3,304,980</u>	<u>1,848,248</u>

Commitments by funders 31 Dec 2022	527,570
New commitments 2023	2,652,167
Released 2023	-1,782,716
Commitments by funders balance 31 Dec 2023	1,397,022

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

Deposits and cash (Ref 4)

Cash and bank balances are at the disposal of ECF for operational purposes.

Reserve (Ref 5)

	General reserve	Revaluation reserve	Total
Balance as per 31 Dec 2022	<u>17,092,148</u>	-	<u>17,092,148</u>
Additions	1,002,588	-	1,002,588
Withdrawals	-	-	-
Balance as per 31 Dec 2023	<u>18,094,736</u>	-	<u>18,094,736</u>

Current liabilities (Ref 6)Grants payable

According to ECF'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 ECF's Director.

	31 Dec 23	31 Dec 22
Grants awarded in 2018	-	2,000
Grants awarded in 2019	-	-
Grants awarded in 2020	5,000	16,797
Grants awarded in 2021	15,661	286,828
Grants awarded in 2022	51,103	438,887
Grants awarded in 2023	1,955,327	-
	<u>2,027,091</u>	<u>744,512</u>

Other current liabilities

	31 Dec 23	31 Dec 22
Taxes and social premiums	322	7,630
Pension premiums	68,425	52,217
Payroll tax	126,212	111,658
Other personnel costs	100,034	102,149
Contractual obligations	130,200	130,313
Contributions to spend*	608,291	212,850
Accounts payable	194,640	351,541
Received in advance**	24,895	320,000
Others	31,204	52,196
	<u>1,284,222</u>	<u>1,340,555</u>

Contractual obligations balance 31 Dec 2022	130,313
New contracts 2023	284,801
Released 2023	(284,914)
Contractual obligations balance 31 Dec 2023	130,200

The ground lease term ('erfpachttermijn') of the ECF building at the Jan van Goyenkade 5, Amsterdam, which expires 31 August 2042, is to be categorized as an off balance sheet obligation. The annual obligation of the ECF represents €8,645. For ECF this ground lease term will expire at July 2024 since ECF has sold the premises at 26 February 2024.

* The outstanding 'Contributions to spend' per 31 December 2023 is €608,291. These contributions were from the following partners: the European Commission (for **Display Europe**, €322,022 and for **Europe Talks**, €105,000); from NTNU - Norwegian University of Science and Technology (for **CrAft - Creating Actionable Futures**, €64,900) and from the Arts Council of England (for the **Europe Challenge**, €116,369).

**Not apparent in the balance sheet is the entitlement to receive €25,000 from Compagnia di San Paolo in 2024.

Notes to the Statement of Income & Expenditure (Refs 7-14)

ECF has a longstanding partnership with het Cultuurfonds through which it receives a quarterly financial contribution from the Vriendenloterij and the Nederlandse Loterij Organisatie (Lotto/Staatsloterij). In 2023, the contribution from het Cultuurfonds was €4,903,272, representing 65.45%* of ECF's income. Compared to the actual, recognized income from het Cultuurfonds reported in 2022 (€4,808,133), there was an increase of €95,139 in 2023.

**The percentage of 65.45% of ECF's income is the percentage of ECF income 2023 excluding the result on interest and income from investments.*

Income non-profit organisations (Ref 7)

	Actual 2023	Budget 2023	Actual 2022
<u>Europe Challenge</u>	-	175,000	-
<u>Culture of Solidarity Fund</u>	-	400,000	-
Allianz Foundation	-	-	100,000
Trustees of the Sigrid Rausing Trust	-	-	117,756
GLS Treuhand	-	-	70,000
Moleskin Foundation	-	-	10,000
Haus des Stiftens	1,573	-	20,736
Fondazione Cariplo	-	-	50,000
Compagnia di San Paolo	-	-	50,000
Bucerius Kunst Forum	-	-	14,179
<u>European Media Platforms</u>			
Contribution for Network European Media	-	-	50,000
<u>Libraries for Europe</u>			
Scottish Library & Information Council (Europe Challenge)	-	-	20,000
Fondazione Cariplo (Europe Challenge)	-	-	50,000
Total Fundraising income profit/non-profit	<u>1,573</u>	<u>575,000</u>	<u>552,671</u>

*Various activities related to ECF projects **Culture of Solidarity** and to the **Europe Challenge** were postponed to 2024. External funds for these activities, representing €400,000 and €175,000 respectively in the budget 2023, are now included in the budget 2024.*

Income from government subsidies (Ref 8)

	Actual 2023	Budget 2023	Actual 2022
Culture for Climate Action (BUZA Vlaanderen)	60,000	-	-
EUNIC EU (Czech Centre)	10,000	-	-
Gemeente Amsterdam (Public Policy)	21,000	-	-
EUNIC Global (Culture of Solidarity)	-	1,500,000	275,000
European Commission (Media Platform Display)	1,992,204	-	-
European Commission (Media Data Space)	-	-	-
European Commission (Europe Talks)	345,000	350,000	-
European Commission (EIT-Europe Challenge)	-	25,000	-
European Commission (Creating Actionable Futures)	135,850	119,834	69,000
European Commission (Migrants in Media)	-	-	500,000
European Commission (i-Portunus)	-	-	(13,685)
European Commission (Goethe Institute-CDP)	21,100	15,000	14,400
Total fundraising income governments	<u>2,585,154</u>	<u>2,009,834</u>	<u>844,715</u>

Expenditure Committed to Purpose (Ref 9)	Actuals 2023	Budget 2023	Actuals 2022
Initiative European Public Space	2,908,165	839,000	804,749
Development costs 2023	2,094	5,000	1,810
Allocated salary and admin costs	407,322	415,331	318,461
Total costs Share Europe	3,317,582	1,259,331	1,125,019
Citizens Experience	175,154	-	100,000
Cultural Professional Experience	703	70,000	70,678
Developments costs 2023	8,087	5,000	5,929
Allocated salary and admin costs	104,263	152,146	211,872
Total costs Experience Europe	288,206	227,146	388,479
The Europe Challenge	467,063	645,000	424,960
European Pavilion	345,167	300,000	138,223
Stories of Europe	60,300	100,000	121,442
Culture for Climate Fund	3,820	-	19,625
Grants not taken up	(53,229)	-	(68,543)
Culture of Solidarity Fund (CoS Fund)	575,828	2,430,892	1,716,582
Development costs 2023	5,056	10,000	3,103
Allocated salary and admin costs	1,012,142	1,017,558	958,154
Total costs Imagine Europe	2,416,148	4,503,450	3,313,547
Public Policy	315,382	292,000	194,039
Allocated salary and admin costs	562,099	526,190	532,945
Total costs Public Policy	877,481	818,190	726,984
Corporate Communications	102,192	65,000	80,804
Europe Day; 9 May Event	81,329	90,000	64,740
Digital & Analogue Publishing	30,827	60,000	54,764
Strategic media partnerships	20,650	30,000	18,008
Allocated salary and admin costs	528,928	470,720	403,079
Total costs Communications	763,926	715,720	621,396
Expenditure Committed to Purpose	<u>7,663,342</u>	<u>7,523,837</u>	<u>6,175,425</u>

Costs of Generating Income (Ref 10)

Costs of Generating Income (fundraising costs) include staff costs, consultancy costs and costs allocated to ECF by het Cultuurfonds (CF). In the table below the contribution by CF to ECF has been included in the total income, which shows that the ratio for 2023 has decreased. This is mainly due to a gain on investments.

	Actual 2023	Budget 2023	Actual 2022
Total income* incl. CF	9,115,337	8,044,634	3,762,391
Fundraising costs incl. costs CF	273,186	325,217	273,849
% fundraising income costs	3.00%	4.04%	7.28%

*The total income is including interest and income from investments.

If income received from CF is excluded from ECF's total fundraising income, it results in the table below.

	Actual 2023	Budget 2023	Actual 2022
Total fundraising income	2,586,726	2,584,834	1,397,386
Fundraising costs incl. costs CF	273,186	325,217	273,849
Fundraising costs excl. costs CF	192,511	215,217	168,339
% fundraising income excl. CF	7.44%	8.33%	12.05%

Included in the €273,186 of fundraising costs incl. costs CF are costs allocated to ECF from CF. These costs were €80,675, and were CF's costs related to charges incurred by the Lotteries. This left €192,511 in fundraising costs and a fundraising ratio of 7,44%.

Finance (Ref 11)	Actual 2023	Budget 2023	Actual 2022
Finance	63,129	55,000	48,088
Allocated salary and admin costs	91,859	110,584	90,559
	<u>154,988</u>	<u>165,584</u>	<u>138,647</u>

Operations* (Ref 12)	Actual 2023	Budget 2023	Actual 2022
Computerisation	145,100	110,000	101,249
Depreciation	20,155	35,000	27,106
Premises, utilities, other expenses	169,029	172,000	187,000
Representation	18,402	20,000	20,000
	<u>352,687</u>	<u>337,000</u>	<u>352,000</u>
Recharged costs Stichting Praemium Erasmianum	(4,574)	(5,000)	(20,834)
Distribution of costs	(348,113)	(332,000)	(260,733)
	<u>0</u>	<u>0</u>	<u>0</u>

* All costs recorded under Operations are re-distributed to Expenditure Committed to Purpose, or are recharged to Stichting Praemium Erasmianum (SPE). As a result of a co-ownership of the building with ECF, SPE entered into an agreement between the two foundations that confirms costs related to Operations will be recharged to SPE on an annual basis. The recharge is based on an agreed fixed key. All remaining expenditure recorded under Operations is re-distributed to Expenditure Committed to Purpose. In order to allocate these expenses, ECF uses the same allocation key as applied for the redistribution of HR costs. By using a software and time-writing system, time spent by staff on activities is tracked and properly allocated.

Governance (Ref 13)	Actual 2023	Budget 2023	Actual 2022
Board related operational expenses	22,506	30,000	28,243
	<u>22,506</u>	<u>30,000</u>	<u>28,243</u>

Interest and income from investments (Ref 14)	Actual 2023	Actual 2022
Interest from bank accounts	12,706	(3,793)
Realised result fixed income investments	39,622	(3,436)
Unrealised result fixed income investments*	363,076	(1,142,608)
	415,404	(1,149,837)
Dividends	103,630	143,997
Realised result equity investments	479,459	(138,841)
Unrealised result equity investments*	683,864	(1,238,479)
	1,266,952	(1,233,323)
Management fees securities	(57,017)	(64,764)
Total	1,625,339	(2,447,924)

The total unrealised results (gain) on the revaluation of fixed income investments (€39,622) and equity investments (gain of €683,864) are recorded as reported by Wealth Management Partners N.V., ECF's fund manager.

Remuneration for Director

ECF is managed by one Director. In 2023, the remuneration for this role was €135,077. 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 beloning directeuren van Goede Doelen' or 'Remuneration Guidelines for Directors of Not-For-Profits'). For 2023, ECF applies the BSD rating (Basis Score voor Directie-functies normering) of 455 points as categorized under function group I. In 2023, the ECF's Director's relevant annual income was €135,077, which is within the maximum of €151,550 as specified under function group I. Total remuneration including pension costs and other allowances was €182,914, which is within the maximum of €184,033.

Name:	A. Wilkens
Position:	Director
Contract:	Indefinite
	Full time/37.5 hours
Period:	1 Jan-31 Dec 2023

Remuneration:	Annual Income	2023	2022	2021
	Gross salary	113,534	106,604	102,504
	Holiday allowance	9,083	8,528	8,200
	Year-end bonus	9,461	8,884	8,542
	Variable components	3,000	-	-
	Totals	<u>135,077</u>	<u>124,016</u>	<u>119,246</u>
	Other taxable compensation	26,857	28,672	27,388
	Pension	20,980	18,691	17,680
	Other regular compensation	-	-	-
	Severance pay	-	-	-
	Totals	<u>182,914</u>	<u>171,379</u>	<u>164,314</u>

Staff costs*

	Actual 2023	Budget 2023	Actual 2022
Salaries	1,702,498	1,733,570	1,562,488
Social charges	273,316	257,741	246,678
Pension costs	310,966	299,499	287,771
Internships	4,200	10,000	5,275
Travel allowance	41,235	46,410	38,536
Other staff costs (including training)	165,895	151,526	174,169
	<u>2,498,110</u>	<u>2,497,745</u>	<u>2,314,917</u>
Interim staff	2,940	25,000	37,635
Total	<u>2,501,050</u>	<u>2,522,745</u>	<u>2,352,552</u>

*Staff and administration costs are allocated to ECF's activities using time writing as the allocation key.

Cost allocation table

	Share Europe	Experience Europe	Imagine Europe	Public Policy	Communications	Costs Fundraising	Finance & Admin.	Governance	Operations	Total costs 2023
Grants 2023	2.549.772	100.000	1.223.682	-	-	-	-	-	-	3.873.454
Grants not taken up	-	-	-53.229	-	-	-	-	-	-	-53.229
Partnerships, donations and outsourced activities	179.410	77.058	158.943	187.000	138.495	-	-	-	-	740.906
Other activity costs	181.078	6.886	74.610	128.382	-	130.637	63.129	-	-	584.721
Communication costs	-	-	-	-	137.762	-	-	-	-	137.762
Personnel costs	358.014	91.614	886.408	494.054	464.899	125.294	80.739	-	-	2.501.050
Other general costs (Operations)	-	-	-	-	-	-	-	-	352.687	352.687
Operations costs re-distributed	-	-	-	-	-	-	-	-	(352.687)	-352.687
Allocation of costs Operations	49.308	12.621	125.734	68.044	64.029	17.256	11.120	-	-	348.113
Governance	-	-	-	-	-	-	-	22.506	-	22.506
Total	3.317.582	288.206	2.416.148	877.481	763.926	273.187	154.988	22.506	-	8.114.014

Annex 1

Specification 90% rule

The ECF is committed to spend at least 90% of its total Lottery income on its activities, based on the average Lottery income of the previous 3 years.

Average Lottery income previous 3 years	4,663,004	actual	(a)
Minimum to spend (90% limit of Lottery income)	4,196,704	actual	(b)
Net expenditure	5,527,296	actual	(c)
	1,330,592	spending ABOVE limit (required)	

The ECF complies with the 90% rule in 2023

Calculations

	4,808,133	Lottery Income 2022	
	4,674,204	Lottery income 2021	
	4,506,676	Lottery income 2020	
(a) Lottery income previous years	4,663,004	Lottery income average	(a)
(b) Minimum to spend (90% limit of Lottery income)	4,196,704	90% limit	(b)
	8,114,023	Total expenditures 2023	
	(1,573)	minus 3rd party income	
	(2,585,154)	minus government income	
(c) Net expenditure	5,527,296	Net exp 2023	
	4,196,704	minimum to spend excl third party income	

Valuation principles guideline 650

	31/Dec/23	31/Dec/22
Bonds stated at par value or lower market value (guideline 640)	7,412,800	6,958,394
Revaluation	363,076	1,572,109
Bonds stated at market value (guideline 650)	<u>7,775,877</u>	<u>8,530,503</u>
Reserves in accordance with guideline 640	18,094,736	17,092,148
Revaluation reserve	-	-
Reserves in accordance with guideline 650	<u>18,094,736</u>	<u>17,092,148</u>

11. Events after the Balance Sheet Date

The European Cultural Foundation is in the process of selling its premises at the Jan van Goyenkade 5, Amsterdam and signed a sale contract in February 2024.

12. Acknowledgements

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



The European Cultural Foundation would also like to thank all our partners who have supported us. For 2023, we would like to thank

- BUZA Vlaanderen (CoS Just Transition)
- EUNIC EU National Institutes for Culture – Czech Centre (CoS Just Transition)
- Gemeente Amsterdam (Public Policy)
- Haus des Stiftens (CoS Fund)
- European Commission (European Media Platform Display.eu)
- European Commission (Europe Talks)
- European Commission (CrAft – creating actionable futures)
- European Commission (through Goethe Institut for Cultural Diplomacy Platform)

for their generous support.

Please visit culturalfoundation.eu/partners for a full list of our current partners and funders.

Memberships

We are a member of the Dutch Vereniging Fondsen in Nederland (FIN) and Goede Doelen Nederland that represent foundations and fundraising charities in the Netherlands. We are also a member of the Brussels based Philanthropy Europe Association, Philea.

CBF– Recognition hallmark, SBF-Good Governance code, Goede Doelen Nederland codes, rules and guidelines, FIN Code Good Governance.

As a member of Goede Doelen Nederland and FIN, the European Cultural Foundation complies with all the necessary codes and guidelines, including the Code for Good Governance issued by SBF (Samenwerkende Brancheorganisaties Filantropie), the FIN Code Good Governance as well as the Erkenningsregeling Goede Doelen issued by the CBF (Centraal Bureau Fondsenwerving/Central Bureau for Fundraising Organisations).

Principles of Good Practice, ANBI status

We endorse Philea's Principles of Good Practice. We have the ANBI ('Algemeen Nut Beogende Instelling') status, which means that the Foundation's objectives have been deemed to improve the well-being of the general public.

Colophon

Coordination	Lise Mathol
Financial Report	Hans-Peter Christen
Editing	Vicky Anning
Design	Studio Takken

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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.

Jan van Goyenkade 5
NL-1075 HN Amsterdam
The Netherlands

INDEPENDENT AUDITOR'S REPORT

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

A. Report on the audit of the financial statements 2023 included in the annual report.

Our opinion

We have audited the financial statements 2023 of European Cultural Foundation based in Amsterdam, the Netherlands.

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 2023 and of its result for 2023 in accordance with the Guidelines for annual reporting 650 "Fundraising Organisations" of the Dutch Accounting Standards Board.

The financial statements comprise:

1. the balance sheet as at 31 December 2023;
2. the statement of income and expenditure for 2023; and
3. 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:

- Report by the Supervisory Board;
- Director's Report

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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, 27 June 2024

Dubois & Co. Registeraccountants

A.P. Buteijn RA

