



EUROPEAN CULTURAL FOUNDATION



I think this idea is great because...
IdeaCamp
Build the City

Before After

Another Europe

IDEA Princess Margriet Award for Culture

IDEA IMPACT

ANNUAL REPORT 2015

Activities Report

Financial Report

Declaration of Responsibility

I think this can be improved by...

RADICAL DEMOCRACY



LEARNING ABOUT: ...

COMMUNITY EXPERIMENT
Social Enterprise
NSRF
City Council



EUROPEAN CULTURAL FOUNDATION



SOMEWHERE IN THE WORLD...

D.I.T.

I think this idea is great because...

I think this idea is great because...

IdeaCamp

Build the City

Before

After

Another Europe

IDEA

Princess Margriet Award for Culture

IDEA IMPACT

ANNUAL REPORT 2015

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ATOMS

ЦЕНТР ВІЗУАЛЬНОЇ КУЛЬТУРИ
VISUAL CULTURE RESEARCH CENTER

Students Research

I think this can be improved by...

RADICAL DEMOCRACY

WE THINK THINK EXPERIMENT
COMMUNITARIANISM

Social Economy

SAAM



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President's Message

The values on which Europe was formed – peace, democracy, solidarity and freedom of expression – are precious and require constant nurturing by citizens and their leaders. This can take all kinds of forms, one of them being cultural expression. Culture has a unique power to identify issues, sentiments and emotions and address them in a way that touches not only people's minds but also their hearts. And we all know that both responses are needed in order to make visions a reality and to achieve ambitious goals. As children teach us: *"Ask your heart what to do and your head how to do it."*

2015 was a particularly testing time for Europe and for these common values. It was a year punctuated by violent attacks that struck at the continent's very heart. Added to that, tens of thousands of migrants have been arriving on Europe's shores in search of shelter from violence, forcing us to re-examine what our core values mean in practice.

The European Cultural Foundation (ECF) remains steadfast in the belief that culture has the power to invest in our shared values, bridge divides and connect people on a fundamental level. It fosters solidarity and helps us understand the perspectives of those we may not agree with. Culture helps us truly listen to each other, a precondition for connecting and finding shared solutions. Indeed, ECF's work includes many uplifting responses to the pressures and challenges Europe faces – for instance, through local community-building initiatives where people work together to shape a positive future. Culture clearly has a role to play in negotiating ways of living together in Europe. It has the potential to include people from all walks of life by speaking in images rather than in positions or judgements.

When we appreciate cultural expression for what it is – a barometer of society and a catalyst for what people think, feel, wish, fear and cherish – it becomes an invaluable tool to help achieve happiness, confidence, mutual respect and understanding. It is thus a powerful lever for progress and resilience of society as a whole.

At this crucial point in Europe's history, let us discuss fairly what needs fixing *and* remember what Europe stands for. And let culture help break down barriers, prejudices and sentiments that stand in the way of maintaining our values-based solidarity and progress across Europe.

HRH Princess Laurentien of the Netherlands, ECF President



HRH Princess Laurentien of the Netherlands at the 2015 ECF Princess Margriet Award for Culture ceremony. Photo © Maarten van Haaff

“Our thoughts are with the loved ones left behind and we are even more convinced about respecting the core European value of freedom (of expression), which recent events have shown we sadly cannot take for granted.”

HRH PRINCESS LAURENTIEN OF THE NETHERLANDS

ECF President, thoughts following the *Charlie Hebdo* attacks in January 2015

Director's Report

The ambition of the European Cultural Foundation (ECF) is to catalyse, connect and amplify ideas and the people behind them that are creating cultural change across Europe and beyond. Our goal is to strengthen the key role culture can play in the health of our communities and the future of Europe.

The connection between local activities supported by ECF and their relevance or contribution to the rest of Europe may seem tenuous. But one only has to look at an example, say from Solin, Croatia, to get an idea of the impact of the cultural initiatives we support. In Solin, one visionary change-maker called Antonija Eremut had the idea of transforming an abandoned quarry into a cultural performance space – working with and for local citizens. ECF recognised the potential of her idea. We invited Antonija to attend our Connected Action for the Commons Idea Camp in 2014, she was awarded one of our R&D grants and by the end of 2015 a citizen-led initiative called *Majdan Solin!* had taken flight. With the support of the local municipality, *Majdan Solin!* are now full partners in a multi-year EU URBACT programme. ECF's support nurtured a seed that allowed Antonija's idea to flourish.

In 2015, ECF brought 50 idea makers like Antonija together in our latest Idea Camp in Botkyrka, Sweden, and awarded 25 new R&D grants that are seeding equally innovative ideas. This unique programme – along with others such as our Tandem programme, STEP Beyond Travel Grants, Connected Action for the Commons network and knowledge exchanges on ECF Labs – witness the burgeoning network of people-driven community change realised through engaged cultural actions.

We cannot do this work alone and there are many partners who share our commitment to strengthening and empowering civil society. ECF supports change-making initiatives through open calls but also through targeted partnerships. In total, 43% of our expenditure – or €2,715,900 – was distributed through grants and partnerships in 2015 (read more on p6-9).

ECF is hugely grateful for our invaluable sustained partnership with the Prins Bernhard Cultuurfonds, which, through lottery support, has made much of our work possible over the past years. In 2015 changes in the lotteries resulted in diminished resources. ECF needed to tighten our belt and find savings and efficiencies – which we did without reducing our financial contribution to grantees. In the longer term, in order to meet our ambitions, we will continue to build revenue sources beyond the lotteries in the Netherlands, which amounted to 29% of our income in 2015.

As ECF looks towards a new four-year plan (2017-2020), our work in 2016 will both evaluate and reflect on the current plan – *Connecting Culture, Communities and Democracy* – and take a long-term view of the role ECF can and must play in ensuring that culture creates a space where we can negotiate, understand and live alongside one another. In a world of increasing fragmentation, our focus will be on how we can connect people and communities across Europe and how we can work together to create a better future – inclusive of all voices and perspectives. We look forward to continuing to work with our partners and to widening and diversifying our collaborations in future to make our vision a reality.



Görgün Taner

Chairman, ECF

Katherine Watson

Director, ECF



Tandem Europe Partner Forum 'Let's do it Together' in October 2015 in Milan, Italy. Photo © Constanze Flamme / MitOst

Our Grants and Partnerships 2015 – An Overview

ECF awards grants either through open calls or through targeted partnerships across all of our budget areas. In 2015, ECF distributed a total of €2,715,900 in grants and partnership agreements to individuals, collectives and organisations, which – through culture – invest in an open, just and democratic Europe. This represents 43% of our expenditure.

Two of ECF's large grant programmes were developed and implemented by partners from the non-governmental organisation (NGO) sector – art4ngle for the Balkans Arts and Culture Fund and MitOst for the Tandem programmes.

Over the following pages, you can see how our grants and partnerships were funded in 2015. On p34, you can see an overview of ECF's budget.

For more information on grants and partnerships, see culturalfoundation.eu/grants.

Allocation of ECF grants and partnerships by objective

EMPOWERING AND ENGAGING

GRANTS

<i>Open Grants</i>	€
STEP Beyond Travel Grants	94,050
Travel grants for researchers – through partnership ENCATC	4,000
Travel grants for Idea Camp participants	14,510
art∠ngle 2015 (Balkans Arts and Culture Fund)	363,700
German Marshall Fund of the United States	50,000

Commissioning Grants

Long Live Arts (Conference)	10,000
Nexus Institute (Strategic partnership)	20,000
Holland Festival (Strategic partnership)	25,000
PEN International (Conference)	8,000

YOUTH & MEDIA

Zemos98 (#reclaimthecommons Hackcamp)	12,000
Creative Initiatives “e” (Remixing Europe publication launch & Media Collection)	15,000

ECF PRINCESS MARGRIET AWARD FOR CULTURE

Athens Biennale (Award)	25,000
Visual Culture Research Center (Award)	25,000

EVENTS COMMUNICATIONS

Festival Internazionale dei Beni Comuni (Festival)	5,000
Visual Culture Research Center (Kyiv Biennale 2015)	10,000
Athens Biennale (Artistic documentation)	10,000

Subtotal:

691,260

LINKING CULTURAL POLICY AND PRACTICE

TANDEM (FORMERLY NEIGHBOURHOOD PROGRAMME)	€
MitOst (Implementation of the programme and re-granting to 125 participants)	1,137,380
ADVOCACY/RESEARCH & DEVELOPMENT	
<i>Partnerships</i>	
Council of Europe (Indicator Framework for Culture & Democracy)	40,000
Culture Action Europe (Advocacy work)	25,000
University of Groningen (Research on new civic roles and organisational strategies of cultural organisations)	12,540
MitOst (Evaluation of all Tandem exchange schemes)	18,000
<i>Grants</i>	
Culture Resource (Cultural Policy Task Force)	25,000
On the Move (ArtCOP21 workshop)	4,000
BOZAR (Les Journées de Bruxelles)	10,000
BOZAR (Lampedusa Day 2016)	7,000
More Europe (Role of culture in the EU's External Relations)	25,000
Eurozine (Focal point on 'Culture and the Commons')	7,000
ECBN – European Creative Business Network (Creative spill-over research)	10,000
Commons Network (Mapping of policy opportunities)	5,000
Subtotal:	1,325,920

CONNECTING SOURCES OF KNOWLEDGE

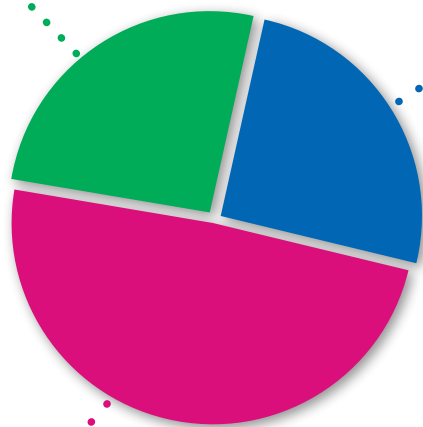
	€
CONNECTED ACTION FOR THE COMMONS (NETWORKED PROGRAMME)	
25 R&D grants	244,115
6 Connected Action Hubs	312,000
Subtopia (Hosting of the Idea Camp)	104,198
Platoniq (Ideas on Wheels at Idea Camp)	7,000
Zemos98 (Media Lab at Idea Camp)	13,100
KNOWLEDGE MANAGEMENT	
Stichting Nieuwe Helden (In Search of Europe – performance & documentary)	10,000
Stanislaw Brzozowski Association (Krytyka Polityczna) (Build the City publication, co-production)	8,307
Subtotal:	698,720

Connecting Sources of Knowledge

€698,720

Empowering and Engaging

€691,260



Linking Cultural Policy and Practice

€1,325,920

TOTAL: €2,715,900



STEP Beyond funded initiative *Solar World Cinema* in the Sahara desert, at the Sahrawi refugee camp at Dahkla, Algeria.

Empowering and Engaging

ECF catalyses – enabling cultural practitioners to express themselves on contemporary challenges in Europe.

Grants Schemes

For more than six decades ECF has brought together ideas, knowledge and experience to maximise the impact of culture across wider Europe, both through our programme activities and through our grants.

Over the last few years, we have been rethinking our role in the ecosystem of our societies, resulting in a leap forward in supporting civil society actors at a local and European level. The ultimate aim is to scale up their invaluable work in order to lever societal change and to maximise our investment.

ECF's different grants schemes support people and initiatives in 59 European and neighbouring countries – from Tunisia to Norway – either through direct grants or re-granting.

“Sharing cultures, values and heritages of people from different backgrounds is truly wonderful.”

LIDIJA KOZHEVNIKOVA

STEP Beyond Travel grantee, travelling from Ukraine to Morocco



Photo © solarworldcinema.com

As well as the many funding initiatives we have mentioned throughout this report under their respective budget lines, in 2015 ECF also:

- Supported the mobility of 213 emerging artists and cultural workers – between 50 different EU and neighbouring countries – in cross-border exchanges through our **STEP Beyond Travel Grants**.
- Continued the development of the **Balkans Arts and Culture Fund** together with our partners in the Western Balkans, art4ngle and the Swiss Cultural Programme. The grant-making stream called COLAB projects had supported 13 initiatives by the end of 2015, in six different countries.
- Reserved a flexible budget under **Commissioning Grants** in order to respond to urgent needs, compelling requests and strategic partnerships. In 2015, we focused on bringing European and global discourse to the Netherlands (through Long Live Arts, Nexus Institute, Holland Festival and PEN International's conference in the Netherlands).

Read more about ECF's grant-making in the pages of this report – or visit www.culturalfoundation.eu/grants.



Street action at the *Reclaim the Commons Hackcamp*, Seville, Spain. Photo © Julio Albarrán

Youth & Media

In 2010, ECF initiated Doc Next Network – a network of cultural organisations working with young media-makers across Europe. Over the past five years, the network has been striving for social justice and inclusive public opinion, through a common methodology that supports the ideas of access, free culture and expanded education.

Doc Next Network's highlights in 2015 included:

- **Media Collection:** The Doc Next Media Collection is evolving into a participatory and sustainable platform to provide a new way of documenting Europe's most pressing issues. The Media Collection is a resource for mainstream media, policy-makers and researchers and contributes to creating a more inclusive public opinion.
- **Radical Democracy:** a project that uses media-making as a way of researching, celebrating and supporting people across Europe who are calling for more democracy – and the right to decide what kind of communities they want to live in. Supported by the Open Society Initiative for Europe (OSIFE), activities under this project in 2015 included:
 - › **Radical Democracy policy session, European Parliament, Brussels:** More than 50 policy-makers, academics and MEPs attended this media showcase and debate drawing on stories from the Radical Democracy project – with a focus on reclaiming homes, public space and political parties.



Still from the short film 'Brothers' in the Doc Next Media Collection. Film © Emi Mazurkiewicz (Poland, 2011)

- › **Reclaim the Commons Hackcamp, Seville, Spain:** Hosted by Doc Next Network partner ZEMOS98, the Hackcamp brought together 75 journalists, artists, organisers and campaigners from across Europe to explore practical ideas for reclaiming the commons.
- › **Media Labs and local advocacy events:** From the peripheral neighbourhoods of Istanbul to the housing estates of London, Doc Next Network developed Media Labs to document communities defending their common goods. These were presented at local advocacy events in Istanbul, Warsaw, London and Seville.

Find out more at www.culturalfoundation.eu/docnextnetwork.



2015 ECF Princess Margriet Award for Culture laureates. Photo © Oleksandr Techynskyi, Spyros Staveris

Events

Together with our partners, ECF co-hosts events in the Netherlands, Brussels and across wider Europe – helping to reach new audiences, strengthen relationships and generate media coverage. These events are listed throughout this report under their respective budget lines.

Our key annual event, the **ECF Princess Margriet Award for Culture (PMA)** is a platform for showing those whose creative work can truly make a difference to Europe's varied societies – underlining ECF's belief that social and political change requires artistic and cultural engagement.

- The **ECF Princess Margriet Award for Culture 2015** was presented to Athens Biennale (Athens, Greece) (*pictured above right*) and the Visual Culture Research Center (Kyiv, Ukraine) (*pictured above left*) on 31 March 2015 at the BOZAR, Centre for Fine Arts in Brussels.
- In June, an official partnership was announced between the Municipality of Athens and the **Athens Biennale** – plans for this partnership gathered momentum after the Biennale's contribution to European culture was recognised through the PMA. ECF's President HRH Princess Laurentien of the Netherlands delivered a keynote speech at the ceremony.
- In September, ECF supported **The School of the Displaced**, part of the Kyiv Biennale, a project linking civic initiatives with internally displaced people and artists who have become political refugees. Initiated by PMA laureate the Visual Culture Research Center, the biennale brought together artists, intellectuals, civil society initiatives and institutions in Ukraine, Europe and beyond.



Visual Culture Research Center in Kyiv, Ukraine, one of the Kyiv Biennale venues. Photo © School of Kyiv

- As a spin-off to the 2014 PMA (laureate Teatro Valle Occupato), and in line with our interest in the theme of the commons, ECF supported the **Festival Internazionale dei Beni Comuni**, a four-day #commonsfestival in Italy in July involving roundtable meetings, music, cinema, theatre, art and performances.

Looking ahead, we decided to hold the **2016 ECF Princess Margriet Award for Culture** ceremony in Amsterdam instead of Brussels, to coincide with the Dutch Presidency of the Council of the European Union in the first half of 2016. We are also chairing the host committee of the **27th European Foundation Centre General Assembly and Conference – Imagining and Investing in our Future**, which takes place in Amsterdam in May 2016.

“From Europe’s most fragile borders, facing unforeseeable futures, Visual Culture Research Center and Athens Biennale courageously show us how culture can be a means of solidarity and common ground that create tangible alternatives to the economic and political conflicts of our time.”

CHRIS DERCON

Director, Tate Modern and Jury member, ECF Princess Margriet Award for Culture

For more on ECF’s events, see www.culturalfoundation.eu/events.
For more on the ECF Princess Margriet Award for Culture, see www.culturalfoundation.eu/pma.



Tandem Europe Partner Forum 'Let's do it Together' in October 2015 in Milan, Italy. Photo © Constanze Flamme / MitOst

Linking Cultural Policy and Practice

ECF is a connector between practitioners across borders, policy-makers and the public at large, increasing their capacity to realise their vision.

Tandem Cultural Managers Exchange Programme

Tandem is an exchange programme that helps cultural organisations to build long-term, international working relationships. The programme supports knowledge development for cultural managers and their organisations, as well as creating networking opportunities with project partners from Europe and beyond.

Now in its fourth year, a network of almost 300 past and present Tandem participants from 130 cities and towns in 33 countries extends across the EU and wider Europe – including Ukraine, Moldova, Turkey and the Arab Mediterranean region.

ECF's core partner for Tandem is **MitOst** (Berlin, Germany) – from the concept development and design methodology to fundraising and the implementation and evaluation of the programme.

“Strengthening cross-border collaboration is the best way to answer the crisis in Ukraine.”

TANDEM UKRAINE PARTICIPANT

In 2015:

- ECF launched the first exclusively EU-focused programme edition called **Tandem Europe – Social Innovation**, together with new foundation partners from Italy, Greece and Germany.
- We wrapped up the second round of **Tandem Shaml Arab Region – Europe** with the Arte Senza Confini Festival in Bologna and identified nine new Tandems for the third programme round at the Partner Forum in Beirut, Lebanon.
- Ten new Tandems started working together for the third round of **Tandem Turkey – EU** after a Partner Forum in Sirince, Turkey.
- Twelve Tandems formed by initiatives from nine different EU countries and nine cities in Ukraine concluded the second round of **Tandem Ukraine – Dialogue for Change**.
- Seven Tandems with participants from the Netherlands, Germany, Belgium and the UK presented results of the second round of **Tandem Community & Participation** at a conference of the National Centre of Expertise for Cultural Education and Amateur Arts (LKCA) conference in Ede, the Netherlands.
- We secured co-funding partnerships until 2017 for follow-up editions of four of the five current Tandem programme editions.

All of ECF's Tandem programmes are delivered 'in tandem' with highly specialised project and facilitator teams at **MitOst** (Berlin) and our local partners **Anadolu Kültür** (Istanbul) and **Al Mawred Al Thaqafi – Culture Resource** (Beirut). In 2015, we expanded our pan-European foundation network around Tandem further south by engaging in funding partnerships with **Fondazione Cariplo** (Milan) and the **Stavros Niarchos Foundation** (Athens).

In 2015, Tandem built on continued partnerships from: **Stiftung Mercator; Robert Bosch Stiftung; German Federal Foreign Office; British Council; Fonds voor Cultuurparticipatie; Stichting Doen; and Mimeta**.

See www.culturalfoundation.eu/tandem for more details.



Towards a European 'Mienkip': A Public Debate about the Future of Citizens in Europe. Photo © Ruben van Vliet

Advocacy, Research & Development

In 2015, ECF's advocacy work reached beyond the cultural sector to explore models of governance based on participatory and commons' principles and civil-public partnerships. The three core areas of investigation were: creative cities; social innovation; and urban commons. Working with our partners, we achieved tangible results regarding culture and the EU's external relations strategy.

Our R&D work focused on new topics such as the spill-over effects of culture and creative industries in Europe, as well as new evaluation tools. These tailor-made tools not only ensure effective monitoring of ECF programmes but also provide evidence for advocacy and nurture the organisation's knowledge management and strategic development.

Some 2015 highlights include:

- **New Pact for Europe – Towards a European 'Mienkip': A Public Debate about the Future of Citizens in Europe:** As one of the partners in the New Pact for Europe initiative, ECF organised two debates in the Netherlands in 2015. The first debate in The Hague included 40 invited Dutch politicians, policy-makers, journalists and other stakeholders. The second took place in April in Leeuwarden – the 2018 Cultural Capital of Europe.
- **As a partner of *More Europe – external cultural relations*,** ECF continued to play a key role in raising culture higher up the EU's global agenda. Tangible results included the EU's first Communication on Culture in EU external relations and inclusion of cultural relations among the priorities of bilateral EU-third country discussions.



MEP Julie Ward at the Idea Camp 2015 in Botkyrka, Sweden. Photo © Julio Albarrán

- ECF advocated for culture to become part of the EU's Urban Agenda, joining forces with Culture Action Europe (CAE). We will continue to illustrate the central role of culture in realising Europe as an open, democratic and inclusive space during the **Netherlands Presidency of the EU** in the first half of 2016.
- ECF mobilised Eurocities, CAE, Connected Action for the Commons, R&D grantees and other partners to contribute to a living **Manifesto** on models of civic-public partnerships for the EU Urban Agenda to be launched in early 2016.
- As part of the European Research Partnership (including ECF, Arts Council England, Arts Council Ireland, european centre for creative economy (ecce), European Creative Businesses Network (ECBN) and Creative England), we commissioned a review of **Cultural and Creative Spill-Overs in Europe** with a view to influencing the European research agenda.
- We launched the pilot phase of a study on **New Civil Roles and Organizational Models of Cultural Organizations**. Together with Professor Pascal Gielen from Groningen University, with co-funding from the Gulbenkian Foundation's UK branch, we undertook two test case studies with a view to launching a wider review on the potential of contemporary cultural practices and alternative working structures as drivers of civil society in Europe.

Visit www.culturalfoundation.eu/advocacy and www.culturalfoundation.eu/r-d for more details.



A game of Commonsopoly at the Idea Camp 2015 in Botkyrka, Sweden. Photo © Julio Albarrán

Connecting Sources of Knowledge

ECF communicates our programmes' inspiring initiatives to public audiences and policy-makers in order to influence policy change.

We bridge people and democratic institutions by connecting local cultural change-makers and communities across Europe because we firmly believe that Europe is powered by culture.

Connected Action for the Commons

In 2015, the six hubs of the Connected Action for the Commons network – Les Têtes de l'Art (France); Culture 2 Commons (Croatia); Krytyka Polityczna (Poland); Subtopia (Sweden); Platoniq (Spain) and Oberliht (Moldova) – engaged in a collaborative action research project on culture and the commons.

Throughout 2015, the hubs have been exchanging knowledge and scaling up their practices and impact, exploring models to ensure their sustainability and impact.

Build the City: Perspectives on Commons and Culture

An example of this collaborative spirit was a special publication of the Connected Action for the Commons programme, which was jointly published with Krytyka Polityczna. (See Knowledge Management for more information, p24.)

Visit www.culturalfoundation.eu/connected-action for more details.



Presentation of the Ideas on Wheels sessions at the Idea Camp 2015 in Botkyrka, Sweden. Photo © Julio Albarrán

Idea Camp

The Idea Camp is the biggest initiative within the framework of the Connected Action for the Commons programme – developed by ECF in collaboration with the six programme hubs. The goal is to become a catalyst for developing and co-creating selected ideas – providing a safe space of trust, sharing and connecting with others. Through our Idea Camps, ECF is in the unique position of being able to award grants to help develop some of the most innovative ideas in the European cultural sector.

The second edition of the Idea Camp – with the theme Build the City – took place at Subtopia’s premises in Alby (Stockholm, Botkyrka) in September 2015. We received more than 400 applications through an open call for ideas and chose 50 ideas from 23 countries.

The idea makers were joined by key policy-makers, journalists, foundation representatives and members from the local community to allow room for a broader dialogue.

R&D Grants

Following the 2015 Idea Camp, **25 Research & Development (R&D) grants** were awarded to help develop the most innovative ideas drawing on the principles and ethics of the commons to transform cities.

ECF also continued to monitor the progress of each R&D grant awarded after the first Idea Camp in 2014 and helped grantees to promote their work.

Visit www.culturalfoundation.eu/idea-camp-2015 for more details.

Highlights of the many activities of the Connected Action Hubs

“... in response to the prevailing winds of privatisation, gentrification and uncaring bureaucracy, it is heartening to see a counter-power seeking to steer our cities away from Pure Mad Max Terror – one Post-it note at a time.”

DAN HANCOX

Reviewing the Idea Camp in *The Guardian*, 29 September 2015

“The fight for the commons in cities is essentially a fight to reclaim democracy – and to re-imagine how city life is organised.”

DAVID BOLLIER

‘The Commons, Political Transformation and Cities’ (from *Build the City*)

LES TÊTES DE L'ART

médiation artistique

Les Têtes de l'Art organised a workshop on crowdfunding for local stakeholders in Marseille, led by Platoniq.

Platoniq

Platoniq hosted Goteathon, a two-days hackathon at Medialab-Prado to dig into the open data collected by crowdfunding platforms.

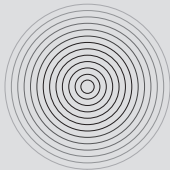


SUBTOPIA⁴

Subtopia hosted the 2015 Idea Camp in Sweden, followed by a residency programme for Idea Makers.



Oberliht developed a framework of partnership for the Commons in Moldova, as well as organising advocacy actions. They also worked with Krytyka Polityczna to connect the activist and artistic scenes in Poland and Moldova.



krytyka polityczna

Krytyka Polityczna implemented a local Build the City programme in Poland focusing on the theme of the 2015 Idea Camp.



CULTURE 2 COMMONS

Culture 2 Commons published research tackling the impact of the Croatian policy framework on freedom of association and self-organisation of citizens.



ECF Labs Virtual City. Illustration © Gianfranco Pooli / ECF

Knowledge Management

ECF is a learning organisation – connecting knowledge and people across Europe. Knowledge Management is a transversal approach that runs across our organisation.

ECF *connects* spheres of knowledge both internally and externally. *Understanding* these connections – as well as the strengths and gaps in our knowledge – allows staff and partners to share knowledge more effectively. Knowledge Management is also about how we leverage the knowledge of our partners and our staff.

- For example, through the publication ***Build The City: Perspectives on Commons and Culture***, ECF brought together compelling content and conversations from the ECF Labs community and other sources. This was a starting point to seek connections, build networks and knowledge, as well as communicating to a wider audience. Picked up by numerous platforms, *Build the City* was reprinted within five months. (See graphic p26-27.)
- Highlighting the expertise of our partners in the Connected Action for the Commons network (see p20) is the motivation behind ECF's '**hub correspondents**'. This group of editors, journalists and researchers from the hub countries is assigned to bring back stories about the hubs' local environments. Starting their research in 2015, they will deliver texts and publications in 2016.
- ECF supported the **Stichting Nieuwe Helden** for a performance and documentary with theatre maker Lucas de Man called *In Search of Europe*, exploring the relationship between communities, new movements in Europe and the commons.

ECF Labs

ECF Labs is a digital interactive space and key source for community knowledge that invites people to take part in an open conversation about Europe, culture and democracy.

Launched in 2014, it connects ECF with partners, stakeholders and the broader public across Europe. The platform attracts a community that is growing organically around thematic spaces for debate and knowledge sharing. It is a place to mine for knowledge, spot trends and potentially engage a wide community across borders in campaigning, events and research.

ECF Labs plays a central role in the development of ECF's digital agenda and ambition, with the goal of facilitating and supporting strong online connections and knowledge sharing on topics that are key to ECF: culture, communities and democracy across Europe and beyond.

Achievements in 2015:

- The platform has become an integrated tool for research, reflection and debate among ECF staff and partners, attracting and connecting individuals and organisations related to all our programmes.
- The ECF Labs open community continued to grow – with 13,000 registered, verified members at the end of 2015 who are interested in online debate, sharing knowledge and community engagement.
- The open source community shares more than 50 public rooms – or 'Labs' – 20 of which were opened by members themselves in 2015. Subjects range from Craftism to Crowdfunding.
- The Labs technology has developed into a state of the art and innovative European online tool, further consolidated by the beta-release of the ECF Labs web app. Scalable and flexible, fast and user friendly, it has been welcomed positively and co-developed by members of the ECF Labs community.

Visit ECF Labs at <http://ecflabs.org/app>.

"It's so refreshing to hear in the creative/arts sector some dissenting and questioning voices – something the Labs do really well."

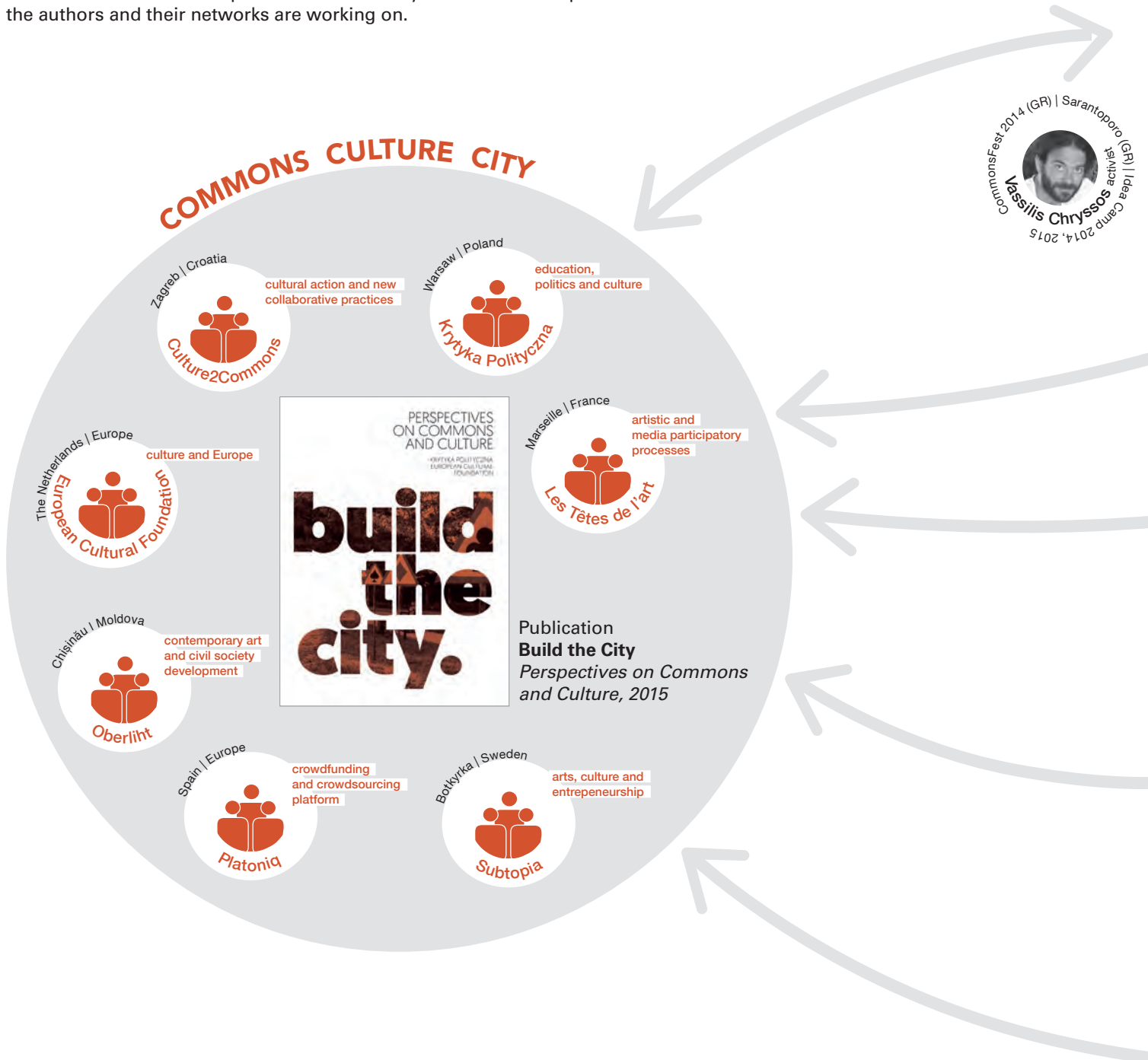
IAN OLIVER

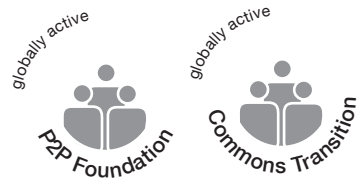
Moderator of the Artistic Entrepreneurship Project Lab

A sample of 7 of the 42 authors of *Build the City* and their connections

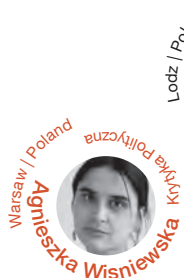
Build the City is a special collaboration between ECF, Krytyka Polityczna and ECF Labs, with Subtopia (Sweden), LesTêtes de l'Art (France), Oberliht (Moldova), Culture 2 Commons (Croatia) and Platoniq (Spain), partners in our action-research network Connected Action for the Commons.

This visualisation is a sample of some of the key concerns in Europe that the authors and their networks are working on.





open source values
crowdsourcing and crowdfunding
P2P models
knowledge economy
open software



industrial heritage
local community engagement
civic rights campaigns
culture and development



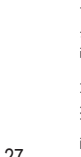
public space campaigns
housing rights
arts-activism



cultural participation
participatory governance
digital and physical spaces



policy
philanthropy





Build the City: Perspectives on Commons and Culture was launched in September 2015. Photo © Constanze Flamme / MitOst

Publications

ECF has a long publishing history – producing a range of stand-alone publications as well as publishing jointly with our partners. In the last 10 years alone, ECF has published or co-produced more than 60 books and many more essays, research papers and reports.

We frequently share programme outcomes, methodological approaches and reflections via in-house publications and books, which are produced in many different languages, often in cooperation with local project partners and specialised publishing houses. In 2015, we started to make more of our rich publishing history available online and will expand this throughout 2016. Our publications provide a platform for sharing and encouraging in-depth reflections in a sustainable, measurable and tangible way.

Highlights in 2015:

- ***Another Europe: 15 Years of Capacity Building with Cultural Initiatives in the EU Neighbourhood*** provides an overview of the concepts and experiences that have emerged from collaborating with cultural initiatives in the EU Neighbourhood countries since the late 1990s.
- ***Developing Cultural Industries: Learning from the Palimpsest of Practice*** focuses on cultural and creative industries in developing countries. Author Christiaan De Beukelaer was awarded the 2012 Cultural Policy Research Award (CPRA), leading to this publication.
- ***Build the City: Perspectives on Commons and Culture*** provides an invaluable resource and theoretical background for the Idea Camp, and also offers a wider opportunity for practitioners and thinkers from different sectors to connect and engage in a continuing conversation (see also p24 and p26-27).



Another Europe was the starting point for a conversation with the political scientist Ivan Krastev. Photo © Marcin Kalinski/PAP

ECF also supported the following publications, which were published in 2015:

- ***Europe: Closed Doors or Open Arms? Culture and Migration.***
Published by ifa in May 2015, an English version was supported by ECF through a partnership grant in 2014.
- ***No Culture, No Europe*** was launched just before the PMA ceremony in BOZAR, Brussels. Edited by Professor Pascal Gielen and published by Valiz, this book is a co-production with Research Institute Arts in Society, Groningen University, Fontys School for Fine and Performing Arts Tilburg, BOZAR Brussels and ECF (also supported through a 2014 grant).

ECF's publications can be found in the ECF Library at www.culturalfoundation.eu/books.

“At a time when both democracy and the market are challenged both inside and outside Europe, it is endeavours such as those discussed in *Another Europe* that give us hope that we can make a difference.”

IVAN KRASTEVE

Chairman of the Centre for Liberal Strategies in Sofia, Bulgaria, and Permanent Fellow at the Institute for Human Sciences in Vienna, Austria



ECF supported *Urbo Kune – 25 hours in the life of the ideal capital city for Europe* at the Holland Festival in 2015. This was part of a three-year partnership with the Holland Festival, which includes festivals in 2015, 2016 and 2017. Photo © Canan Marasligil

Communications and Business Development

The Communications and Business Development team at ECF is responsible for corporate and programme communication, on- and offline publishing, producing events like the ECF Princess Margriet Award for Culture (see p14), relationship management and fund development. The communications team works closely in matrixed teams across ECF and is involved in all of our programmatic activities.

Together with the Advocacy team, in 2015 the Communications team focused on developing a strategy for activities and partnerships related to the 2016 Netherlands Presidency of the EU. As chair of the host committee of the European Foundation Centre's Conference in Amsterdam in May 2016, we also worked throughout 2015 on the production and content development for the conference.

Fund Development

As reported in our 2014 Annual Report, ECF aims to secure 35% of our funding from sources other than the Prins Bernhard Cultuurfonds by 2016. By the end of 2015, we had secured 29% of our income from other sources. For 2016, 87% (or €1,353,000) of our fundraised income is secured. A major part (67%) of our fundraised income is represented in multi-year contracts. All of ECF's fundraising actions undertaken in 2015 were related to our programmes, including Connected Action for the Commons, Tandem Cultural Managers Exchange programme and our research and advocacy activities.

Strategic Partnerships

In Europe's changing societal and financial context, we firmly believe in the strength of working in partnerships based on shared values. In 2015, we initiated new partnerships with organisations including the **Nexus Institute** and the **Holland Festival**, as well as continuing to build connections with other foundations, organisations, media and interested individuals.

Press & Social Media

ECF's programmes have continued to attract the attention of international press outlets. The renowned Dutch online newspaper *De Correspondent* and *The Guardian* both published detailed reports from the 2015 Idea Camp, while the ECF Princess Margriet Award for Culture was widely covered in print, radio and TV outlets including *De Volkskrant*, *Telegraaf*, *De Standaard*, *Euronews* and *Ukraine Today*.

ECF also continues to gain media attention through ongoing partnerships with like-minded organisations, including the Holland Festival.

ECF's social media audience is growing every day – we now have 18,640 Likes on Facebook and 5,163 followers on Twitter. ECF also has an active presence on YouTube, Soundcloud and Flickr, as we are creating more and more audiovisual material at events and through our Media Labs.

In 2015, we also joined Instagram, helping us to connect with our grantees, partners and programme participants. In this spirit, we also organise regular takeovers within our networks, which we highlight in our Library and promote throughout our channels, including our monthly eZine, which has more than 14,000 subscribers.

For ECF, social media goes far beyond promoting our work. It is a powerful way to engage with our audiences, no matter where they are based and what their role is – from MEPs to local communities.

Like ECF at www.facebook.com/EuropeanCulturalFoundation and follow us on Twitter @ECF_Tweets and on Instagram @europeanculturalfoundation.

General Administration

In 2015, ECF's operational ambitions focused on continuing to provide a solid, modern and efficient foundation for our programmes and events to be built upon. We achieved this by offering high-quality Human Resources (HR), Facilities, Administration and IT while continuing to focus on cost savings and efficiencies across the organisation.

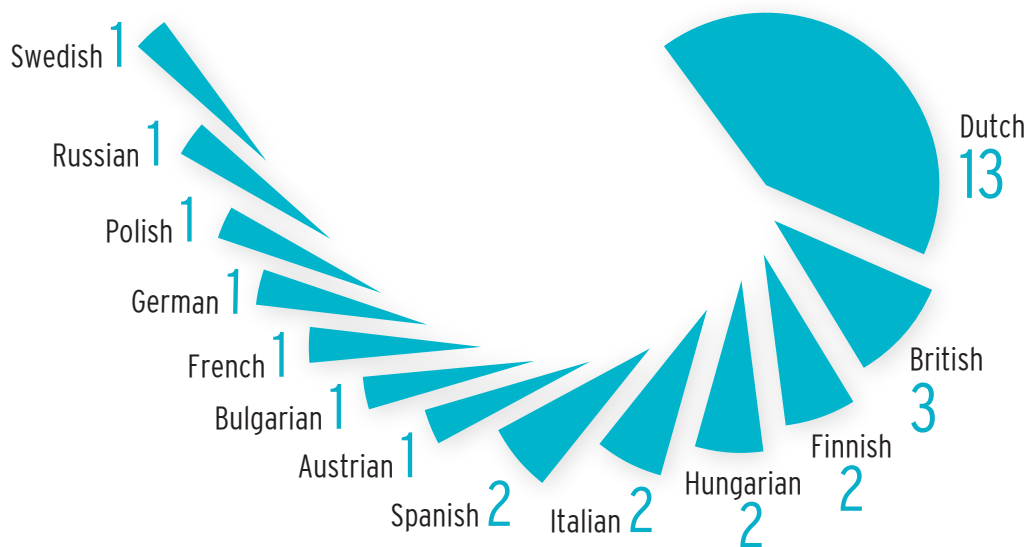
- The **General Administration Team's structure** was reviewed and changed. HR and Finance activities, formerly managed by the Head of Operations, were reallocated to two separate positions: an HR Manager and a Finance Manager. This led to the promotion of two current ECF employees (formerly HR officer and Finance officer), reflecting their increased responsibilities.
- The **Finance Department** continued to optimise working processes and digital tools. In 2015 a digital contract register was introduced and our digital invoice authorisation system was scaled up.
- ECF's IT team focused on **delivering a new IT strategy**, with a view to upgrading our IT systems in 2016 to allow us to work in a more cost-effective, efficient and modern way.
- **Diversity policy:** We are currently developing a policy that embraces diversity of all kinds across ECF, looking at cultural backgrounds, gender, age, as well as looking at skills and competences.
- **Learning & development:** We took time to source a responsive management development programme for implementation in 2016, in order to build on the skills and strengths of ECF's team of managers, to reduce work-related pressure and to help develop a highly professional team.
- **Organisational health:** Both the percentage of illness (4.53%) and the average duration of illness (5.39 days) have increased at ECF since last year (although our overall illness frequency is relatively low at 1.69%). We are focusing on ways of preventing and managing long-term illness and will continue to work on health as a result of the health check we carried out in 2015.

Staff Statistics

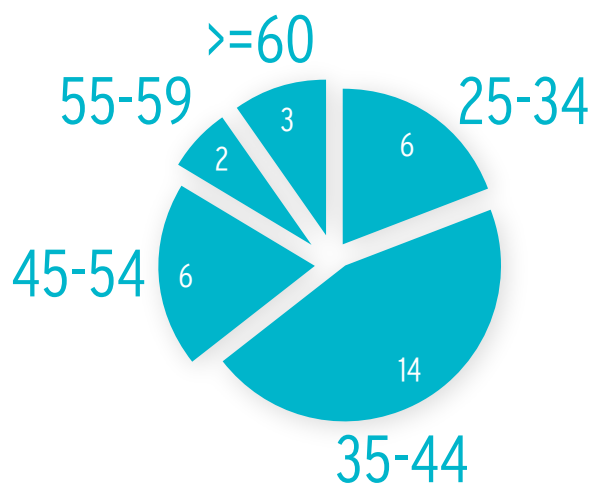
ECF has an international staff including 13 different nationalities, compared to nine last year. Two thirds of our employees are in the age group 25-44 years, and we have more female (24) than male (7) colleagues. Turnover was 15.8%.

Nationality

We measure nationality by passport. However, several members of staff have dual nationality. (Figures valid as of 31 December 2015.)



Employee age



Allocation of Activities

In 2015, ECF spent **89%** of our budget on our three main objectives (Empowering and Engaging; Linking Cultural Policy and Practice; Connecting Sources of Knowledge) and **11%** on Overhead Costs.

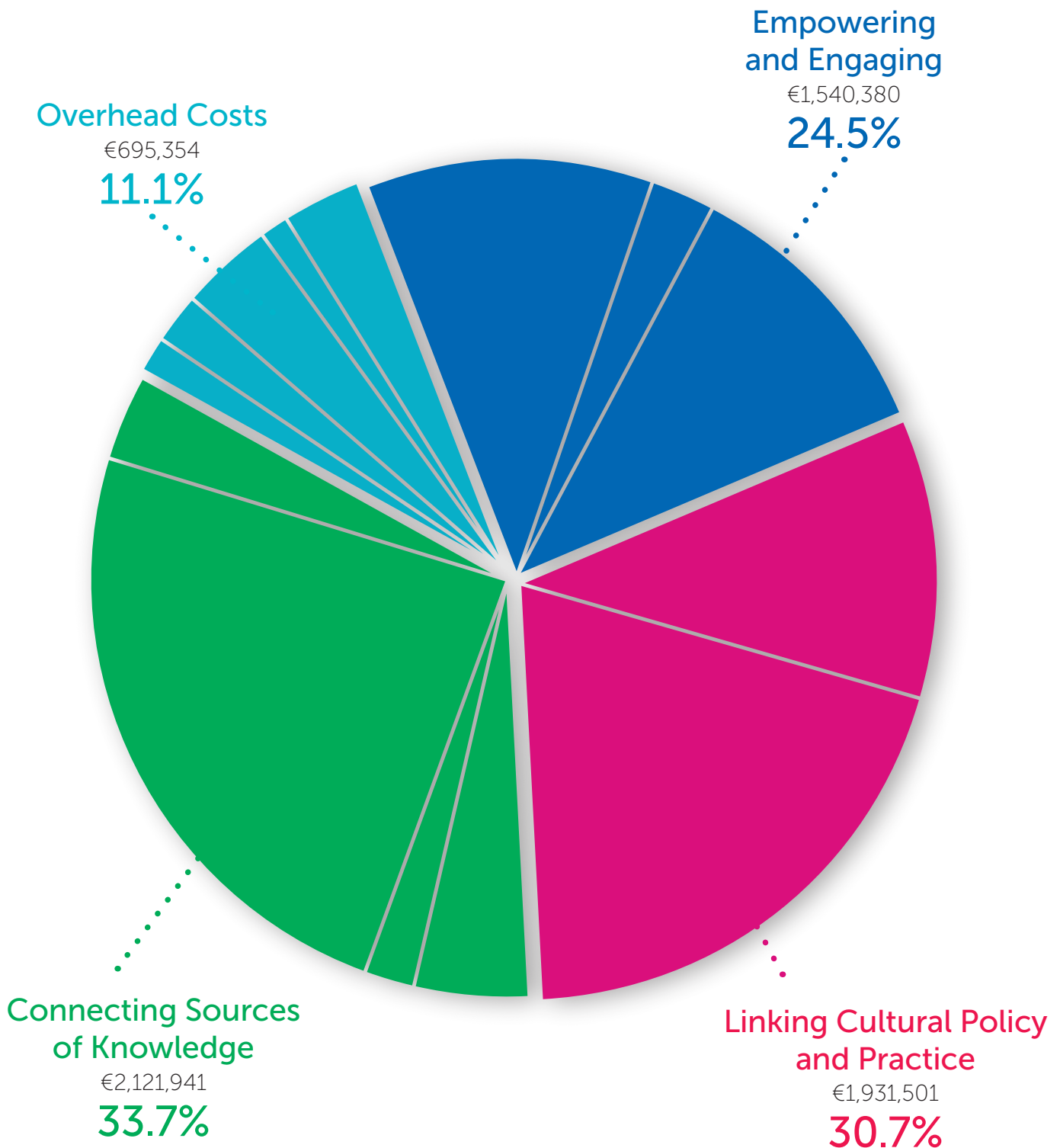
43% of our expenditure was spent on grants & partnerships, which are included within the individual budgets for ECF's three overarching objectives. (See p6-9.)

EMPOWERING AND ENGAGING		€
Grants Schemes	709,627	11.3%
Youth & Media	148,453	2.4%
Events	682,300	10.8%
	1,540,380	24.5%
LINKING CULTURAL POLICY AND PRACTICE		
Advocacy, Research & Development	693,252	11.0%
Tandem Cultural Managers Exchange	1,238,249	19.7%
	1,931,501	30.7%
CONNECTING SOURCES OF KNOWLEDGE		
Connected Action (Networked Programme)	1,518,163	24.1%
Knowledge Management	271,881	4%
ECF Labs	120,860	1.9%
Publications	211,037	3.4%
	2,121,941	33.7%
OVERHEAD		
General administration	86,598	1.4%
Governance	126,196	2.0%
Communications	221,920	3.5%
Costs securities	84,104	1.3%
Fund development	176,537	2.8%
	695,354	11.1%
Total	6,289,176	

Percentages are of total annual costs.

Total ECF Expenditure by Objective

Please note, these costs include all ECF expenditure, including grants, partnerships, programme costs, staff costs and other overheads.





Acknowledgements

ECF is grateful for the longstanding partnership with the Prins Bernhard Cultuurfonds. As a result of this partnership, ECF acknowledges the annual financial contribution – via the Cultuurfonds – from the BankGiro Loterij and the Lotto.

We also thank all our partners who have financially supported us so generously in 2015:

Stiftung Mercator; Robert Bosch Stiftung; Fonds voor Cultuurparticipatie; Fondazione Cariplo; Swiss Agency for Development and Cooperation; Amsterdams Fonds voor de Kunsten; Gulbenkian Foundation; Stavros Niachros Foundation; EU Audiovisual & Cultural Agency; British Council; Open Society Initiative for Europe; King Baudouin Foundation.

ECF is a member of the Vereniging Fondsen in Nederland (FIN), of Goede Doelen Nederland (previously Vereniging Fondsenwervende Instellingen (VFI)) and the European Foundation Centre (EFC).

ECF endorses the principles of the Code Wijffels: 'Code Goed Bestuur voor Goede Doelen' and the European Foundation Centre's Principles of Good Practice.

ECF has 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.

ECF also holds the seal of approval from the Central Bureau of Fundraising (CBF) in the Netherlands ('Keurmerk voor Goede Doelen').

Please visit www.culturalfoundation.eu/our-partners for a full list of ECF's partners.

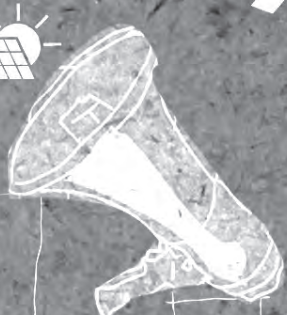
Download our 2015 financial report and our updated declaration of responsibility at ecf-annual.org or request a copy at ask@culturalfoundation.eu.



TANDEM

build the city.

I would join this project if...



This can be...
What if we walk around the city?
WE ALL NEED FINANCE...

MORE EUROPE
external cultural relations

ONGING TO NOONE
IZENSHIP

EYE ♥ MYCITY
EVERYONE!
CITYZENSHIP

BUT OUR ACCE
IS CONTROLLED
FINANCIAL INST

REMIKING EUROPE

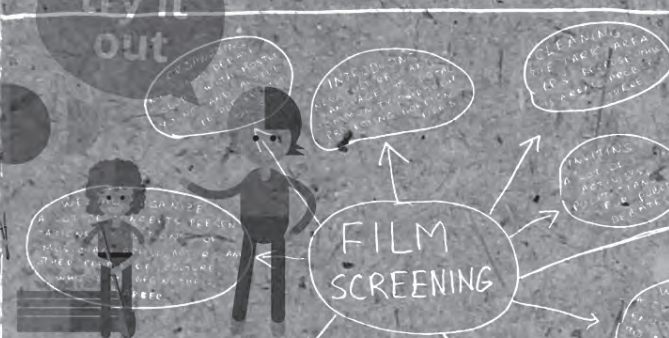


The European Cultural Foundation (ECF) is an independent foundation based in the Netherlands, which has been operating across Europe since 1954. ECF initiates and supports cultural exchange and creative expression across wider Europe, because culture inspires, empowers and engages people to contribute to democratic societies.
www.culturalfoundation.eu

MULTIFUNCTIONAL OPEN AIR CINEMA

WHAT IS MY IDEA A

PUBLIC PARK
CHISHINAU CITY
REPUBLIC OF MOLDOVA





EUROPEAN CULTURAL FOUNDATION

It is so difficult to get what I want in this world like...

I think this idea is great because...

I think this idea is great because...

IdeaCamp

Build the City

Before After

Another Europe



ATHENS BIENNALE

Princess Margriet Award for Culture

IDEA IMPACT

ANNUAL REPORT 2015

Activities Report

Financial Report

Declaration of Responsibility

ATOMS

ЦЕНТР ВІЗУАЛЬНОЇ КУЛЬТУРИ
VISUAL CULTURE RESEARCH CENTER

Students' Research

I think this can be improved by...

RADICAL DEMOCRACY

THINK TANK EXPERIMENT
COMMUNITY LEADERSHIP
Social Entrepreneurship



ECF'S FINANCIAL REPORT

ECF is a hybrid foundation. We have an endowment fund and also undertake fundraising. Our aim is to cover our overhead costs with the income generated through the investments of our own funds. This enables us to dedicate all other funds, as far as possible, to our purposes:

- Empowering and engaging people through arts and culture;
- Linking cultural policy and practice;
- Connecting sources of knowledge for the future.

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

RESULT 2015

The total result of 2015 was a deficit of €335,203. The budget 2015 predicted a deficit of €580,704, based on total income of €7,015,372. In 2015 income dropped unexpectedly by 15% (or €1,061,399). As a result ECF made significant cuts to expenditure. The total expenditure at year-end 2015 was €6,289,176, which implies a saving of €1,306,900 (or 17%) compared to the budget 2015.

INCOME IN 2015

Income in 2015 consisted of lottery funding (through the Prins Bernhard Cultuurfonds), fundraising (including income from governments and foundations) and securities. ECF's total income in 2015 was €5,953,973 compared to €7,068,691 in 2014.

Third-party income

The total third-party income for 2015 was €5,369,039, compared to €5,704,045 in 2014. This amount includes income from the Prins Bernhard Cultuurfonds and other organisations. It excludes income from governments and securities.

Income from the Prins Bernhard Cultuurfonds for 2015 was €4,244,598 compared to €4,586,798 in 2014. This decrease in funding from the Prins Bernhard Cultuurfonds is a result of declining income from the lotteries due to changing market conditions.

The remaining third-party contributions were received from various foundations and all contributions were related to specific project activities. For 2015, income from third parties was €1,126,876 compared to €1,123,314 in 2014. Major donors were the Mercator Foundation (€250,000), the Robert Bosch Foundation (€258,606) and the Swiss Agency for Development and Cooperation, which granted €210,000 to ECF for 2015. This grant is part of a three-year agreement (2014-2016) with this donor.

Government income

Income from various governments in 2015 was €45,724 compared to €7,073 in 2014. A substantial amount of the budgeted government income for 2015 was not granted to ECF during the year due to unsuccessful applications for our Tandem and Networked programmes.

Income from securities and interest

In 2015, the total income from securities and interest was €536,775, compared to €1,351,506 in 2014. During the second quarter and third quarter of 2015, the entire ECF portfolio of bonds was sold, as agreed at the ECF Board Meeting on 1 April 2015, and

turned into cash. At year-end 2015, 43.5% of the portfolio represents investments in shares. The remaining 56.5% is in liquid funds.

This is in line with ECF's 'Statement of Investment Principles', which is a Board approved investment strategy that allows for a maximum of 50% of ECF's reserves to be invested in shares. The remaining investment is in cash.

Since 2011, ECF has outsourced its asset management activities to a third party asset manager. See page 5 for more details.

HOW ECF'S INCOME IS USED

In 2015, 89% of ECF's income was dedicated to its three overarching purposes:

- Empowering and engaging people through arts and culture;
- Linking cultural policy and practice;
- Connecting sources of knowledge for the future.

ECF'S RESERVE

ECF's reserve is used as a buffer in case of financial emergency as well as to ensure financial stability. The goal is to cover all overhead costs with income generated from investing the reserve. Any surplus as a result of lower expenditure than income is temporarily added to ECF's reserve and is then used for purpose-related activities in the following year(s). More information about the reserve can be found on page 4 and page 13.

OVERHEAD COSTS

Costs are incurred for fundraising for management and administration in order to execute ECF's objectives. ECF aims to cover all overhead costs from returns on its invested reserve (income from securities). This allows ECF to use all other income for purpose-related activities.

Detailed overview of overhead costs

Overhead costs in 2015 included operations expenses, communications expenses, board expenses, fund development expenses and securities expenses. The total expenditure in 2015 was €695,354 compared to €768,045 in 2014. Overhead costs comprised 11.1% of the total expenditure in 2015.

	Actual 2015	Budget 2015	Actual 2014
Overhead expenditure	695,354	852,874	768,045
Total expenditure	6,289,176	7,596,076	6,477,328
Overhead against purpose-related expenditure	11.1%	11.2%	11.9%

Overhead expenditure in 2015 decreased compared to overhead expenditure in 2014 and was under the budgeted expenditure for 2015 as well. Compared to 2014, overhead expenditure as a share of the total costs decreased in 2015. This is mainly due to lower fundraising costs (-51K) and decreased communication costs (-30K). Costs for operations were slightly higher than budgeted (+10K).

Allocation of overhead expenses to our objectives

In order to allocate overhead costs to its objectives, ECF uses time writing as an allocation key. Time spent on activities is tracked and allocated using a professional time writing system.

Fundraising costs

The costs for fundraising in 2015 were €121,415 compared to €174,402 in 2014. As a percentage of the total fundraised income in 2015, this amounts to 10.4%, compared to 15.5% in 2014. An amount of €55,122, which represents ECF's contribution to the PBCF's fundraising costs, is not included in the overall fundraising costs.

	Actual 2015	Budget 2015	Actual 2014
Cost fundraising ECF	104,935	199,479	147,522
Cost fundraising third parties	16,480	52,010	26,880
Costs fundraising excl. PBCF	121,415	251,489	174,402
Costs fundraising contribution PBCF	55,122	55,000	52,741
Costs fundraising incl. PBCF	176,537	306,489	227,143

Fundraised income *includes* income from other foundations and governments but it *excludes* income from the Prins Bernhard Cultuurfonds (PBCF) and securities. As per a longstanding agreement, ECF contributed €55,122 to PBCF's fundraising costs in 2015. The table below shows fundraised income against fundraising costs.

	Actual 2015	Budget 2015	Actual 2014
Fundraised income	1,170,165	1,845,372	1,124,320
Fundraising costs excl. costs PBCF	121,415	251,489	174,402
% fundraised income excl. income PBCF	10.4%	13.6%	15.5%

In 2014, ECF received the CBF Quality Mark (Central Bureau on 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 PBCF, reports its own funds as fundraised and then passes those funds on to another organisation, the latter may not also report those funds as fundraised. As a result the total amount of fundraised income does not include PBCF income. Therefore, in 2015, income gained through fundraising according to the CBF's definition was €1,170,165 compared to €1,124,320 in 2014.

Securities costs

The costs associated with managing the assets that ECF reported for 2015 were €84,104 compared to €91,120 in 2014, a decrease of €7,016. This decrease is mainly due to the selling of ECF's bonds portfolio in 2015.

Management and administration costs

In 2015, management and administration costs were €434,714 compared to €449,781 in 2014. These costs represent 6.9 % of the total expenditure in 2015. This decrease in costs is due mainly to a decrease in the amount of expenditure on Communications.

Liquidity

Current assets, deposits and cash increased in 2015 compared to 2014. This is due to the selling of the bonds portfolio in 2015 and turning it into cash on saving accounts. The balance of liquid funds represented €7,259,795 at year-end 2015. At year-end 2014 this balance was €1,311,821. The increase of the amount of current assets (+€1,869,423) is due to the recording of deferred expenses for high volume multi-year partnership contracts (such as our Tandem programme partner MitOst).

Current liabilities

The volume of current liabilities is higher in 2015 compared to 2014. A large part of the current liabilities consists of an increased volume of multi-year *contractual obligations* as well as a higher amount of *contributions to spend* in 2016 and 2017.

	31 Dec 15	31 Dec 14	31 Dec 13
Current assets, deposits, cash	12,255,089	4,437,366	2,614,788
Current liabilities	4,965,177	3,528,760	1,603,669
Liquidity ratio	2.47	1.26	1.63

The liquid funds ratio has increased substantially due to selling the bonds and depositing the bonds as cash. Therefore, the ratio at year-end 2015 is 59% compared to 30% at year-end 2014.

The composition of liquid assets has developed as follows:

	31 Dec 15	31 Dec 14	31 Dec 13
Current assets	4,994,968	3,125,545	1,800,926
Liquid funds	7,260,121	1,311,821	813,862
Total current assets	<u>12,255,089</u>	<u>4,437,366</u>	<u>2,614,788</u>
Liquid funds in %	59%	30%	31%

Reserve

ECF's reserve is readily 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 what are considered to be low-risk securities, the reserve also functions as a source of income.

As of 31 December 2015, the total ECF reserves amounted to €12,989,323 compared to €13,324,526 on 31 December 2014. Based on the level of reserves, ECF is not exposed to direct credit risks or liquidity risks.

Composition of ECF's portfolio:

	31 Dec 2015		31 Dec 2014	
Shares	5,586,855	43.5%	5,098,911	37.5%
Bonds	0	0%	7,186,219	52.9%
Liquid funds saving accounts of sold bond	6,690,815	52.1%	0	0%
Liquid funds other	569,306	4.4%	1,311,821	9.6%
Total	<u>12,846,976</u>		<u>13,596,951</u>	

The composition of ECF's portfolio is in line with ECF's 'Statement of Investment Principles', which was approved by the Board on 1 February 2011 and updated on 9 December 2013. The principles allow for a maximum of 50% of ECF's reserves to be invested in shares. The remaining investment was in bonds. At the ECF Board Meeting on 1 April 2015 it was agreed that, during the second quarter of 2015, the ECF bond portfolio would be sold and deposited as cash.

Management of ECF's securities portfolio

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

Appointment of auditors

The ECF annual accounts have been audited by Dubois & Co since 2013. Prior to 2013 PricewaterhouseCoopers (PwC) was appointed to undertake this role. The auditor is appointed by, and reports to, the ECF Board.

BUDGET 2016

	Budget 2016	Actual 2015
INCOME		
Income third party activities*	4,000,000	4,244,598
Fundraised income — profit/non-profit	1,517,991	1,124,441
Fundraised income – governments	40,000	45,724
Securities- and interest income	247,000	536,775
Other income	-	2,435
Total Income	5,804,991	5,953,973
EXPENSES		
Committed to purpose**		
Catalyse	1,959,728	2,050,672
Connect	2,313,254	2,650,091
Amplify	1,075,616	893,058
	5,348,598	5,593,822
Costs fund development		
Fundraising costs	296,484	176,538
Costs securities	64,000	84,104
	360,484	260,641
Management and Administration		
Communications	278,519	221,920
Governance	123,184	126,196
General administration	65,781	86,598
	467,484	434,714
Total expenses	6,176,565	6,280,454
Surplus / (Deficit)	<u>(371,574)</u>	<u>(335,203)</u>
Allocation of result		
(Withdrawal from) / Addition to reserve***	<u>(371,574)</u>	<u>(335,203)</u>

* This represents the contribution, through Prins Bernhard Cultuurfonds, from the BankGiro Loterij and the Lotto.

** The purposes listed in this table are recorded in line with the purposes defined in the ECF budget 2016 and, in order to facilitate comparison between 2016 and 2015, the breakdown of 2015 expenditures is different from that in the following pages.

*** Given the drop in lottery income in 2015, we anticipate a subsequent drop in 2016 to the amount of 244,598 (5.8%). Additionally we are budgeting a lower return on investments, to the amount of €289,775. Despite cost reductions in 2015, it is not possible to further reduce costs in 2016 due to multi-year, high volume agreements. As a result, a deficit of €371,574 is budgeted for 2016. 2016 is a bridging year between the current 4-year plan (2013-2016) and the subsequent one (2017-2020), which will reflect a balanced budget.

BALANCE SHEET

AS PER 31 DECEMBER 2015

	Ref	2015	2014
ASSETS			
Tangible fixed assets	1		
Premises		51,224	55,362
Refurbishment		14,494	15,633
Furniture and equipment		46,837	59,796
		112,555	130,791
Financial fixed assets	2		
Bonds		0	7,186,219
Shares		5,586,855	5,098,911
		5,586,855	12,285,130
Currents assets	3		
Accounts receivable		4,994,968	3,125,545
Deposits, cash	4		
Cash and bank balances		7,260,122	1,311,821
Total		<u>17,954,500</u>	<u>16,853,286</u>
LIABILITIES			
Reserves	5		
Appropriated reserve		12,989,323	13,324,526
Revaluation reserve		-	-
		12,989,323	13,324,526
Current liabilities	6		
Received in advance		-	-
Grants payable		495,023	394,355
Accounts payable		4,470,153	3,134,405
		4,965,177	3,528,760
Total		<u>17,954,500</u>	<u>16,853,286</u>

STATEMENT OF INCOME AND EXPENDITURE

	Ref	Actual 2015	Budget 2015	Actual 2014
INCOME				
Income third party activities*		4,244,598	4,670,000	4,586,798
Fundraised income – profit/non-profit	7	1,124,441	1,489,372	1,117,247
Fundraised income – governments	8	45,724	356,000	7,073
Securities income	9	497,512	500,000	1,336,513
Other income (incl. interest)**		41,699	0	21,060
Total income		5,953,973	7,015,372	7,068,691
EXPENSES				
Committed to purpose	10			
Engaging through culture		1,540,380	1,798,096	2,366,705
Linking policy and practice		1,931,501	2,581,849	1,610,678
Connecting knowledge		2,121,941	2,363,256	1,886,331
		5,593,822	6,743,202	5,863,714
Costs fund development				
Fundraising costs	11	176,537	306,489	227,143
Costs securities	12	84,104	87,500	91,120
		260,641	393,989	318,264
Management and administration				
Communications	13	221,920	292,916	251,441
Governance	14	126,196	148,988	122,901
General administration	15	86,598	16,981	75,439
		434,714	458,885	449,781
Correction costs Voorzieningsfondsen ***				-154,431
Total expenses		6,289,176	7,596,076	6,477,328
Surplus/(deficit)		<u>(335,203)</u>	<u>(580,704)</u>	<u>591,362</u>
Allocation of result				
(Withdrawal from)/Addition to reserve		<u>(335,203)</u>	<u>(580,704)</u>	<u>591,362</u>

* This represents the contribution, through Prins Bernhard Cultuurfonds, from the BankGiro Loterij and the Lotto.

** Other income consists of bank interest (€39,263) and income exchange differences (€2,435).

*** In 2014, ECF was notified by its pension advisor that, since 2008, it was legally no longer required to contribute the discount on the pension premiums for the ECF pension scheme for active participants in the ECF's 'Stichting Voorzieningsfonds Pensioengerechtigden'. This implied that ECF had to reverse the allocated contributions, representing €154,431, as recorded in the years 2008 to 2014.

CASH FLOW OVERVIEW

	Actual 2015	Actual 2014
Cash flow from operating activities		
Result	-335,203	591,362
Adjustments for:		
Depreciation tangible fixed assets	46,713	50,770
Movements in accounts receivable	-1,869,423	-1,324,619
Movements in short-term liabilities	1,436,416	1,925,091
Cash flow from operating activities	-721,497	1,242,604
Cash flow from investment activities		
Additions to tangible fixed assets	-28,478	-9,531
Movements in financial fixed assets	6,698,275	-735,577
Cash flow from investment activities	6,669,798	-745,107
Movements in liquid assets	<u>5,948,301</u>	<u>497,497</u>
Opening balance liquid assets	1,311,821	814,324
Closing balance liquid assets	7,260,122	1,311,821
Movements in liquid assets	<u>5,948,301</u>	<u>497,497</u>

ACCOUNTING PRINCIPLES

EUROPEAN CULTURAL FOUNDATION

GENERAL

ECF is an operating and grant-giving foundation. Its core income is received from the Prins Bernhard Cultuurfonds. Other income is derived from donors, subsidies and ECF's securities portfolio.

Grants are awarded on the basis of projects submitted by third parties through grant applications. Programmes are run by ECF alone or in partnership with other organisations in line with ECF's four-year strategic plan (2013-2016) and the annual work plan.

REPORTING PERIOD

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

FOUNDATIONS FOR VALUATION AND DETERMINING THE RESULT

Unless specified, both the assets and liabilities are valued nominally. Income and expenses are attributed to the year to which are related.

TANGIBLE FIXED ASSETS

Tangible fixed assets are valued at cost price less the accumulated depreciation, except for the premises, which are revaluated at current economic value. Depreciations commence from the moment the investment is taken 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 the Prins Bernhard Cultuurfonds. This is recognised on the receipt of a statement from the Prins Bernhard Cultuurfonds, which indicates the funds it has received from the BankGiro Loterij and the Lotto. According to a longstanding agreement between the two foundations, 25% of the non-designated income generated by the lotteries is passed on to ECF by the Prins Bernhard Cultuurfonds.

RECOGNITION OF EXPENSES

In general, expenses are charged to cost centres based on actual expenses per project. Operational expenses are recognised as soon as they can be estimated and are legally enforceable by third parties because of contracts or communicated commitments.

A large proportion of Management and Administration costs are allocated to ECF's activities using time writing as the allocation key.

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

90% SPENDING RULE

ECF is committed to spending (expenses minus fundraising income) at least 90% of its total lottery income on its purposes. Based on the average lottery income of the previous three years – ECF complied with this in 2015.

REPORTING GUIDELINES

The financial statements are prepared in accordance with Guideline 650 ('richtlijnen voor de jaarverslaggeving'), which provides accounting principles generally 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 management and administration.

NOTES TO THE BALANCE SHEET (REFS 1-6)

Tangible Fixed Assets (Ref 1)

	Premises	Refurbishment	Furniture & equipment	Total
Historical cost				
Balance at 31 Dec 2014	179,069	325,848	572,376	1,077,293
Additions in 2015	-	4,130	24,348	28,478
Balance at 31 Dec 2015	179,069	329,978	596,724	1,105,770
Depreciation				
Balance at 31 Dec 2014	123,707	310,215	512,579	946,501
Depreciation in 2015	4,137	5,269	37,307	46,713
Balance at 31 Dec 2015	127,844	315,484	549,886	993,214
Book value at 31 Dec 2014	<u>55,362</u>	<u>15,633</u>	<u>59,797</u>	<u>130,791</u>
Book value at 31 Dec 2015	<u>51,224</u>	<u>14,494</u>	<u>46,837</u>	<u>112,555</u>

Note: A silent reserve is included in the recorded premises. This is due to the fact that 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 dual proprietorship between ECF (75%) and Stichting Praemium Erasmianum (25%).

Financial Fixed Assets (Ref 2)

	Bonds	Shares	Total
Balance at 31 Dec 2014	7,186,219	5,098,911	12,285,129
Acquisitions	501,837	1,568,618	2,270,455
Sales	-7,802,661	-1,420,566	-9,223,226
Revaluations realised	114,606	52,880	167,486
Revaluations unrealised	0	287,012	287,012
Balance at 31 Dec 2015	<u>0</u>	<u>5,586,855</u>	<u>5,586,855</u>

	As per 31 Dec 2015		As per 31 Dec 2014	
Bonds	0.0%	0	52.9%	7,186,219
Shares	43.5%	5,586,855	37.5%	5,098,911
Real estate	0.0%	-	0.0%	-
Liquid funds saving accounts of sold bonds	52.1%	6,690,815	0%	-
Liquid funds other	4.4%	569,306	9.6%	1,311,821
	100.0%	<u>12,846,976</u>	100.0%	<u>13,596,950</u>

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

The overall result of the ECF's securities portfolio throughout 2015 is €497,512.

	Assets	Result	Result %
ECF 2015 securities	5,586,855	497,512	8.91%
ECF 2015 saving accounts of sold bonds	6,690,815	34,231	0.51%
ECF 2015 portfolio total	12,277,670	497,512	4.05%
ECF 2014 securities	12,285,129	1,336,518	10.88%
ECF 2014 saving accounts of sold bonds	0	0	0%
ECF 2014 portfolio total	12,285,129	1,336,518	10.88%

Current Assets (Ref 3)

	31 Dec 15	31 Dec 14
Prins Bernhard Cultuurfonds	681,367	1,023,223
Sponsor commitments*	1,514,760	965,918
Deferred expenses*	2,170,784	1,016,776
Prepaid expenses	298,680	45,364
Accounts receivable	214,726	34,480
Others	114,651	39,784
	<u>4,994,968</u>	<u>3,125,545</u>

Sponsor commitments balance 31/12/2014	965,918
New commitments 2015	1,987,739
Released 2015	-1,438,897
Sponsor commitments balance 31/12/2015	1,514,760

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

* See Annex A for a specification of sponsor commitments and deferred expenses.

Deposits and cash (Ref 4)

Cash and bank balances are at the disposal of ECF.

Reserves (Ref 5)

	General reserve	Revaluation reserve	Total
Balance as per 31 Dec 2014	13,324,526	-	13,324,526
Additions	0	-	0
Withdrawals	-335,203	-	-335,203
Balance as per 31 Dec 2015	<u>12,989,323</u>	-	<u>12,989,323</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 management team.

The Board approved all previous Collaboration grants. Since the programme no longer exists, the Board now approves only the cancellation of any outstanding grants awarded under the programme. The amount that is released upon the cancellation of grants is presented in reference 10.

The grants payable as per the balance sheet consist of:

	31 Dec 15	31 Dec 14
Grants awarded in: 2012	-	20,713
Grants awarded in: 2013	2,865	67,789
Grants awarded in: 2014	38,792	305,854
Grants awarded in: 2015	453,367	-
	<u>495,023</u>	<u>394,355</u>

Other current liabilities:

	31 Dec 15	31 Dec 14
Taxes and social premiums	102,733	102,592
Other personnel costs	110,097	95,172
Contractual obligations *	2,093,680	1,190,276
Contributions to spend*	1,872,260	1,096,072
Accounts payable	233,763	585,231
Others	57,621	65,062
	<u>4,470,153</u>	<u>3,134,405</u>

Contractual obligations balance 31/12/2014	1,190,276
New contracts 2015	3,264,388
Released 2015	-2,360,984
Contractual obligations balance 31/12/2015	2,093,680

* See Annex A for a specification of contractual obligations and contributions to spend.

NOTES TO THE STATEMENT OF INCOME & EXPENDITURE

ECF has a longstanding partnership with the Prins Bernhard Cultuurfonds (PBCF) through which ECF receives a quarterly financial contribution from the BankGiro Loterij and the Lotto. In 2014, the contribution from the Prins Bernhard Cultuurfonds was €4,244,598, representing 71% of ECF's income. Compared to the actual income received from Prins Bernhard Cultuurfonds at 2014 (€4,586,798), there was a drop of 7.5% or €342,200 in 2015. Compared to the budget 2015 (€4,670,000) there was a decrease of 9.1% or €425,402.

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

	Actual 2015	Budget 2015	Actual 2014
OSI Main Institute (Grants/Step Beyond)	-	-	22,320
Foundation OSI (Networked Programme)	-	-	36,661
OSIFE (Youth & Media)	91,140	16,000	101,266
British Council (Tandem)	19,013	19,000	-
British Council Egypt (Tandem)	37,076	50,000	-
King Baudouin Foundation (Advocacy)	1,500	-	-
Fonds voor Cultuurparticipatie (Tandem)	50,000	50,000	100,000
Mercator Foundation (Tandem)	250,000	250,000	250,000
Zabawas (Events)	-	-	10,000
Amsterdam Fonds voor de Kunst (Events)	-2,895	-	40,000
Democratie en Media (Youth & Media)	-	-	15,000
Fondazione Cariplo (Tandem)	125,000	100,000	-
Robert Bosch Stiftung (Tandem)	258,606	299,000	122,000
European Capital Offices (Tandem)	-	100,000	-
Gulbenkian Foundation UK (R&D)	10,000	-	-
Circle of Friends	-	15,000	-
Swiss Agency for Development & Cooperation (Grants)	210,000	412,872	420,000
Stavros Niarchos Foundation (Tandem)	75,000	100,000	-
To be identified (R&D)	-	12,500	-
To be identified (Networked Programme)	-	65,000	-
Total fundraising income	<u>1,124,441</u>	<u>1,489,372</u>	<u>1,117,247</u>

Fundraised income – Governments (Ref 8)

	Actual 2015	Budget 2015	Actual 2014
European Commission (Youth & Media)	-	-	7,073
EU Europe for the Citizens (Networked Programme)	-	200,000	-
TBI Research Funding (R&D)	-	56,000	-
EU Audiovisual & Cultural Agency (Youth & Media)	45,724	-	-
European Commission (Creative Europe Programme)	-	100,000	-
Total government income*	<u>45,724</u>	<u>356,000</u>	<u>7,073</u>

* The applications submitted with partners during 2015 were unsuccessful. The related projects and expenditures did not take place in 2015. The contribution of €45,724 is a deferred contribution from 2014.

Income from securities (Ref 9)

	Actual 2015	Actual 2014
Interest from bank accounts	39,263	14,993
Revaluation reserve bonds	-	-
Interest from bonds	5,236	9,750
Realised revaluations bonds	114,606	225,458
Unrealised revaluations bonds*	-	243,924
	119,841	479,132
Dividends	37,778	49,729
Realised revaluations shares	52,880	113,547
Unrealised revaluations shares*	287,012	694,104
Other income (exchange rate diff.)	2,435	6,067
	380,105	863,447
	539,210	1,357,573

* The total unrealised results on the revaluation of bonds (€-) and of shares (€287,012) are recorded as reported by Wealth Management Partners N.V., ECF's fund manager.

Expenses Committed to Purpose (Ref 10)

	Actual 2015	Budget 2015	Actual 2014
Grants*	613,489	927,147	930,366
Mobility programme	96,138	117,000	142,992
Youth & Media programme	148,453	124,805	596,617
Princess Margriet Award/Imagining Europe	682,300	629,144	696,730
Engaging through culture	1,540,380	1,798,096	2,366,705
European Neighbourhood programme	1,238,249	1,642,911	988,448
Advocacy and networking	693,252	938,938	622,230
Linking policy and practice	1,931,501	2,581,849	1,610,678
Knowledge Management	271,881	359,675	-
ECF digital, including LabforCulture	120,860	86,624	360,298
Networked programme	1,518,163	1,673,993	1,299,649
Publications	211,037	242,965	226,385
Connecting knowledge	2,121,941	2,363,257	1,886,331
	<u>5,593,822</u>	<u>6,743,202</u>	<u>5,863,714</u>

* Includes €9,937 that was released for grants not taken up in 2015.

Allocation of income	Income source					totals	
	PBCF	Fundraising from profit/non profit	Fundraising from governments	interest/ securities	other income		
Grants	499,627	210,000	-	-	-	709,627	
Youth & Media	11,589	91,140	45,724	-	-	148,453	
Tandem	423,553	814,696	-	-	-	1,238,249	
Advocacy/R&D	681,752	11,500	-	-	-	693,252	
Publications	211,037	-	-	-	-	211,037	
ECF Digital	120,860	-	-	-	-	120,860	
Knowledge Management	271,881	-	-	-	-	271,881	
Networked programme	1,518,163	-	-	-	-	1,518,163	
Communications	-	-	-	221,920	-	221,920	
Fund Development	156,144	-	-	17,958	2,435	176,537	
Events	685,195	-2,895	-	-	-	682,300	
Governance	-	-	-	126,196	-	126,196	
Securities	-	-	-	84,104	-	84,104	
Operations	-	-	-	86,598	-	86,598	
Overspending	-335,203	-	-	-	-	-335,203	deficit
Totals	4,244,598	1,124,441	45,724	536,775	2,435	5,953,973	total income
						6,289,176	total expenditure

Fundraising costs (Ref 11)

Fundraising costs include staff costs and consultancy costs as well as costs allocated to ECF by Prins Bernhard Cultuurfonds (PBCF). In the table below the contribution by PBCF to ECF has been included in the total income. It shows the ratio for 2015 has decreased. This is mainly due to a decrease in fundraising costs during 2015 compared to 2014.

	Actual 2015	Budget 2015	Actual 2014
Total income incl. PBCF	5,953,973	7,015,372	7,068,691
Fundraising costs incl. costs PBCF	176,537	306,489	227,143
% Fundraising income costs	3.0%	4.4%	3.2%

If income received from the PBCF is excluded from ECF's total fundraising income, it results in the following table:

	Actual 2015	Budget 2015	Actual 2014
Total fundraising income	1,170,165	1,845,372	1,124,320
Fundraising costs incl. costs PBCF	176,537	306,489	227,143
% Fundraising income costs	15.1%	16.6%	20.2%

Included in the €176,537 of *fundraising costs incl. costs PBCF* are costs allocated to ECF from PBCF. These costs represent €55,122 in 2015 and include 25% of PBCF's costs for maintaining the 'CBF Keurmerk' (the CBF 'seal of approval', meaning the organisation's fundraising activities have been reviewed and are considered trustworthy). This leaves €121,415 as representative fundraising costs and a fundraising ratio of 10.4%. The CBF requires that fundraising costs do not exceed 25% of the total fundraising income.

	Actual 2015	Budget 2015	Actual 2014
Total fundraising income	1,170,165	1,845,372	1,124,320
Fundraising costs excl. costs PBCF	121,415	251,489	174,402
% Fundraising income excl. PBCF	10.4%	13.6%	15.5%

Costs securities (Ref 12)

	Actual 2015	Budget 2015	Actual 2014
Bank charges related to bonds and shares	100	-	100
Fees securities income	84,004	87,500	91,020
	84,104	87,500	91,120

Communications (Ref 13)

	Actual 2015	Budget 2015	Actual 2014
General information	71,610	98,930	39,891
PR & promotion	11,873	25,445	12,011
Business development costs	4,772	19,300	22,391
General administration costs	13,421	24,097	15,298
Salary costs	120,244	125,144	161,850
	221,920	292,916	251,441

Governance (Ref 14)

	Actual 2015	Budget 2015	Actual 2014
Board meetings	23,228	35,000	22,692
General administration costs	10,347	16,981	10,190
Salary costs	92,561	97,007	90,019
	<u>126,196</u>	<u>148,988</u>	<u>122,901</u>

General administration (Ref 15)

	Actual 2015	Budget 2015	Actual 2014
Computerisation	70,146	115,000	47,336
Financial and personnel administration	36,370	28,000	25,419
Depreciation	46,713	50,000	50,770
Premises, utilities, other expenses	103,080	142,512	118,867
Representation	21,682	20,000	17,519
Salary costs	73,088	97,007	75,292
Recharged costs	-264,481	-435,538	-259,764
	<u>86,598</u>	<u>16,981</u>	<u>75,439</u>

Staff costs

	Actual 2015	Budget 2015	Actual 2014
Salaries	1,487,769	1,713,119	1,456,329
Social charges	231,690	242,000	243,809
Pension costs	247,998	213,000	214,959
Travel allowance	25,250	14,907	27,116
Home leave	-	-	-
Overtime	-	10,000	-
Other staff costs (including training)	99,755	159,555	80,012
	<u>2,092,462</u>	<u>2,352,181</u>	<u>2,022,226</u>
Interim staff	68,803	73,000	49,323
Total	<u>2,161,265</u>	<u>2,425,181</u>	<u>2,071,548</u>

The total costs of personnel are lower in 2015 than budgeted, which is due to some positions not being filled as expected.

ECF was required to pay an extra pension charge as a result of poor returns due to low interest rates. This resulted in an increase of € 35,000 compared to the budget 2015.

Pension consultancy costs were included in the budget 2015 for 'Other staff costs'. These costs, made on behalf of the ECF 'Voorzieningsfondsen', were charged to the 'Voorzieningsfondsen' (pension provision funds) during 2015.

EMPLOYEES

Throughout 2015 the average number of employees was 32, which is somewhat lower than in 2014. Taking into account the percentage of part-time employees at 31 December 2015 (48%), the Full Time Equivalent (FTE) for 2015 was 27, the same number of FTEs as in 2014.

COMPENSATION FOR DIRECTOR

ECF is managed by one Director. In 2015, the compensation for this role was €126,506. ECF's Director did not receive a thirteenth month of salary or bonus. The other taxable compensation for the Director includes home leave.

The remuneration of the Director is in compliance with legislation applicable from 1 January 2013: Standards Act Remuneration of Top Executives of Public and Semi-Public Sector=WNT. ECF, although not obliged, chooses to comply with the requirements and voluntarily set a high level of transparency.

For 2015 a norm of €178,000 applied for a full year appointment. The total compensation of the Director, calculated by WNT as total remuneration excluding social charges, was in compliance with the WNT standard at €154,649 (€201,863 - €47,214) for 2015.

As of 2016, due to changes in legislation, ECF will comply with a new and different standard.

Name: Katherine E. Watson
Position: Director
Contract: Indefinite
Full time/37.5 hours
Period: 01 Jan-31 Dec 2015

Compensation:		2015
Annual Income		
Gross salary		117,135
Holiday allowance		9,371
Year-end bonus		-
Variable components		-
Total		<u>126,506</u>
Social charges		47,214
Other taxable compensation		475
Pension		27,668
Other regular compensation		-
Severance pay		-
Total remuneration 2015		<u>201,863</u>
Total remuneration 2014		195,905

COST ALLOCATION

	Engaging through culture	Linking policy and practice	Connecting knowledge	Fundraising	Securities	Communications	Governance	General administration	Total costs 2015
DIRECT COSTS									
Grants 2015	596,149	118,000	254,115	-	-	-	-	-	968,264
Grants not taken up	-9,937	-	-	-	-	-	-	-	-9,937
Partnerships and outsourced activities	478,158	1,299,764	805,730	-	-	-	-	-	2,583,652
SUPPORT COSTS									
Personnel costs	418,820	433,736	887,061	94,385		120,244	92,562	73,088	2,119,896
Communication costs	10,710	31,741	76,295	71,602		88,255	-	-	278,604
Governance	-	-	-	-		-	23,288	-	23,288
Other general costs	46,480	48,259	98,739	10,550	84,104	13,421	10,347	13,509	325,409
Total	1,540,380	1,931,501	2,121,941	176,537	84,104	221,920	126,196	86,598	6,289,176

In 2015, a total amount of €9,937 reserved for grants payable was released and was deducted from the direct costs as 'Grants not taken up'. This amount consists of outstanding instalments related to multiple projects that were not completed in the required timeframe.

Personnel costs and general administration costs are allocated to ECF's different activities based on time writing by employees.

SPECIFICATIONS FOR 650 RULING

EXPENDITURES PERCENTAGE	Actuals 2015	spending ratio	Actuals 2015	spending ratio	Actuals 2014	spending ratio
Total expenditures ECF	6,289,176		7,596,076		6,477,328	
Total income ECF	5,953,973		7,015,372		7,068,691	
Surplus (deficit)	-335,203	106%	-580,704	108%	591,362	92%

FUNDRAISED INCOME AND EXPENDITURES	Actuals 2015	Budget 2015	Actuals 2014
Fundraised income	1,170,165	1,845,372	1,124,320
Fundraising costs	176,537	306,489	227,143

SPECIFICATION FUNDRAISING COSTS	Actuals 2015	Budget 2015	Actuals 2014
Costs fundraising ECF	104,935	199,479	147,522
Costs fundraising third parties	16,480	52,010	26,880
Costs fundraising PBCF	55,122	55,000	52,741
	176,537	306,489	227,143

CONSOLIDATED FINANCIAL STATEMENTS IN 2015

ACCOUNTING PRINCIPLES

The consolidated Financial Statements consist of the financial data of:

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

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

The consolidated financial statements were drawn up according to the same recognition and measurement principles used in ECF's Financial Statement.

Please note that the rounding of all figures to full Euro amounts has caused some rounding differences.

CONSOLIDATED BALANCE SHEET AS PER 31 DEC 2015

		31 Dec 2015	31 Dec 2014
ASSETS	Ref		
Tangible fixed assets			
Premises		51,224	55,362
Refurbishment		14,494	15,633
Furniture and equipment		46,837	59,796
		112,555	130,791
Financial fixed assets	16		
Bonds		-	10,667,980
Shares		5,586,855	5,098,911
		5,586,855	15,766,891
Currents assets			
Accounts receivable		4,890,741	3,088,565
Deposits, Cash			
Cash and bank balances		10,827,940	1,332,959
Total		<u>21,418,091</u>	<u>20,319,206</u>

		31 Dec 2015	31 Dec 2014
LIABILITIES			
Reserves	17		
Appropriated reserve		16,452,915	16,780,456
Revaluation reserve	-	-	-
		16,461,637	16,780,456
Current liabilities			
Received in advance		-	-
Grants payable		495,023	394,355
Accounts payable		4,470,153	3,144,395
		4,965,176	3,538,750
Total		<u>21,418,091</u>	<u>20,319,206</u>

NOTES TO THE CONSOLIDATED BALANCE SHEET AS PER 31 DEC 2015

Financial Fixed Assets (Ref 16)

	Bonds	Shares	Total
Balance at 31 Dec 2014	10,667,980	5,098,911	15,766,891
Acquisitions	501,837	1,568,618	2,070,454
Sales	-11,350,496	-1,420,566	-12,771,061
Revaluations realised	180,680	52,880	233,560
Revaluations unrealised	-	287,012	287,012
Balance at 31 Dec 2015	<u>0</u>	<u>5,586,855</u>	<u>5,586,855</u>

Reserves (Ref 17)

	General reserve	Revaluation reserve	Total
Balance as per December 31, 2014	16,780,456	-	16,780,456
Additions	10,915	-	10,915
Withdrawals	-338,456	-	-338,456
Balance as per December 31, 2015	<u>16,452,915</u>	<u>-</u>	<u>16,452,915</u>

CONSOLIDATED STATEMENT OF INCOME AND EXPENDITURE

	Actual 2015	Actual 2014
INCOME		
Income third party activities*	4,244,598	4,586,798
Fundraising income – profit/non-profit	1,124,441	1,117,247
Fundraising income – governments	45,724	7,073
Securities income	577,144	1,599,634
Other income	54,147	39,381
Total Income	6,046,053	7,350,133
EXPENSES		
Committed to purpose		
Engaging through culture	1,540,380	2,366,705
Linking policy and practice	1,931,501	1,610,678
Connecting knowledge	2,121,941	1,886,331
Subtotal committed to purpose	5,593,822	5,863,714
Costs fund development		
Fundraising costs	176,536	227,143
Securities costs	99,589	121,634
	276,126	348,777
Management and Administration		
Communications	221,920	251,441
Governance	126,196	122,901
General administration	155,530	139,182
	503,646	513,524
Total expenses	6,373,594	6,726,015
Correction Voorzieningsfondsen**	-	-154,431
Surplus/(Deficit)	<u>(327,541)</u>	<u>778,548</u>
Appropriation of the result (Withdrawal from)/Addition to reserve	<u>(327,541)</u>	<u>778,548</u>

* This represents the contribution, through Prins Bernhard Cultuurfonds, from the BankGiro Loterij and the Lotto.

** In 2014, the Foundation was notified by its pension advisor that, since 2008, it was legally no longer required to contribute the discount on the pension premiums for the ECF pension scheme for active participants in the 'Stichting Voorzieningsfonds' Pensioengerechtigden. This implies that ECF had to reverse the allocated contributions, representing €154,431, as recorded over the years 2008 to 2014.

NOTES TO THE CONSOLIDATED STATEMENT OF INCOME AND EXPENDITURE

Compared to ECF's statement of income and expenses the main differences can be specified as follows:

	Actual 2015 ECF	Actual 2015 Vzf Binl	Actual 2015 VzF Buitl	Actual 2015 Total
Interest from bank accounts	39,263	10,021	2,427	51,711
Revaluation reserve bonds	-	-	-	-
Interest from bonds	5,236	-	-	5,536
Realised revaluations bonds	114,606	64,828	14,804	194,238
Unrealised revaluations bonds	-	-	-	-
Paid (dis)agio	-	-	-	-
	<u>119,841</u>	<u>64,828</u>	<u>14,804</u>	<u>199,473</u>
Dividends	37,778	-	-	37,778
Realised revaluations shares	52,880	-	-	52,880
Unrealised revaluations shares	287,012	-	-	287,012
Other income	2,435	-	-	2,435
	380,106	-	-	380,106
	<u>539,210</u>	<u>74,849</u>	<u>17,231</u>	<u>631,290</u>
	Actual 2015 ECF	Actual 2015 Vzf Binl*	Actual 2015 VzF Buitl**	Actual 2015 Total
Costs of securities				
Bank charges related to bonds and shares	100	-	-	100
Fees securities income	84,004	9,170	2,142	95,315
Other costs (advisory costs, Chamber of commerce, interest)	-	68,933	4,174	73,107
	<u>84,104</u>	<u>78,103</u>	<u>6,316</u>	<u>168,522</u>

* Vzf Binl = Stichting Voorzieningsfonds Binnenland ECF

** Vzf Buitl = Stichting Voorzieningsfonds Buitenland ECF

SUPPLEMENTARY INFORMATION

Appropriation of the result

The result for the year is at the disposal of the Board.

Events after the balance sheet date

No events have occurred since the balance sheet date and the approval of these financial statements that would require adjustments to these financial statements.

ANNEX A

Liabilities

Third party	Contributions to spend	Contractual obligations
British Council	9,269	
Fondazione Cariplo	125,000	
Fonds voor Cultuurparticipatie	100,000	
Mercator Stiftung	200,000	
Robert Bosch Stiftung	400,000	
Sponsors EFC 2016	315,000	
Stavros Niarchos Foundation	125,000	
Swiss Agency for Development and Cooperation	597,991	
Anadolu Kültür A.S.		209,955
ArtAngle		376,351
MitOst		1,314,684
Networked Programme Hubs		93,640
Stichting Holland Festival		50,000
Various		49,048
	1,872,260	2,093,679

Assets

Third party	Sponsor commitments	Deferred expenses
British Council	9,269	
Fondazione Cariplo	125,000	
Fonds voor Cultuurparticipatie	50,000	
Mercator Stiftung	200,000	
Robert Bosch Stiftung	400,000	
Sponsors EFC 2016	32,500	
Stavros Niarchos	100,000	
Swiss Agency for Development and Cooperation	597,991	
Anadolu Kültür A.S.		204,886
ArtAngle		580,051
Stichting Holland Festival		50,000
MitOst		1,280,360
Networked Programme Hubs		31,200
Various		24,287
	1,514,760	2,170,784

INDEPENDENT AUDITOR'S REPORT

To: the board of European Cultural Foundation, Amsterdam.

We have audited the accompanying financial statements 2015 of European Cultural Foundation, Amsterdam, which comprise the balance sheet as at 31 December 2015, the statement of income and expenses for the year then ended and the notes, comprising a summary of the accounting policies and other explanatory information.

Management's responsibility

Management is responsible for the preparation and fair presentation of these financial statements and for the preparation of the management board report, both in accordance with the Guidelines for annual reporting of the Dutch Accounting Standards Board, especially Guideline 650 "Fundraising Institutions". Furthermore management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the foundation's preparation and fair presentation of the financial statements 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 foundation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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1075 AH Amsterdam
Postbus 53028
1007 RA Amsterdam

Telefoon 020 571 23 45
E-mail info@dubois.nl
www.dubois.nl
KvK nummer 34374865



Opinion

In our opinion, the financial statements give a true and fair view of the financial position of European Cultural Foundation, Amsterdam, as at 31 December 2015 and of its result for the year then ended in accordance with Guidelines for annual reporting of the Dutch Accounting Standards Board, especially Guideline 650 "Fundraising Institutions".

Amsterdam, 9 June 2016

Dubois & Co. Registeraccountants

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



TANDEM

build the city.

I would join this project if...

MORE EUROPE external cultural relations

BE LONGING TO NO ONE CITYZENSHIP
EYE ♥ MY CITY EVERYONE!

REMIXING EUROPE



refund links becoming a real community and making joyful places

The European Cultural Foundation (ECF) is an independent foundation based in the Netherlands, which has been operating across Europe since 1954. ECF initiates and supports cultural exchange and creative expression across wider Europe, because culture inspires, empowers and engages people to contribute to democratic societies.

www.culturalfoundation.eu

MULTIFUNCTIONAL OPEN AIR CINEMA

PUBLIC PARK CHISHINAU CITY REPUBLIC OF MOLDOVA



WHAT IS MY IDEA A





EUROPEAN CULTURAL FOUNDATION

It is so difficult to get what I want in this world like...

I think this idea is great because...

I think this idea is great because...

IdeaCamp

Build the City

Before After

Another Europe



ATHENS BIENNALE

Princess Margriet Award for Culture

IDEA IMPACT

ANNUAL REPORT 2015

Activities Report

Financial Report

Declaration of Responsibility

ATOMS

ЦЕНТР ВІЗУАЛЬНОЇ КУЛЬТУРИ
VISUAL CULTURE RESEARCH CENTER

Students' Research

I think this can be improved by...

RADICAL DEMOCRACY

THINK TANK EXPERIMENT
COMMUNITY LEADERSHIP

Social Entrepreneur

SAW



The European Cultural Foundation (ECF) is an independent cultural foundation based in the Netherlands, which has been operating across Europe and in neighbouring countries since 1954. We believe that culture engages and inspires people to transcend boundaries and that the connecting power of culture is essential for creating open, inclusive and democratic societies.

HISTORY & BACKGROUND

ECF was founded in Geneva in 1954. Its founding figures include the Swiss philosopher Denis de Rougemont, the architect of the European Community Robert Schuman, and HRH Prince Bernhard of the Netherlands, under whose presidency the Foundation moved to its current base in Amsterdam. All these influential figures believed passionately in culture as a vital ingredient for Europe's post-war rebuilding and healing process. These efforts have since developed into the current state of economic, political and cultural interdependence in Europe.

Besides the English name and acronym (European Cultural Foundation/ECF) which is most commonly used in our communications, due to our international background, ECF is also known as:

- Europese Culturele Stichting (ECS)
- Fondation Européenne de la Culture (FEC)

All three names are used in our Articles of Association, which are deposited with the Dutch Chamber of Commerce, however, we generally use European Cultural Foundation.

ECF has the ANBI (Algemeen Nut Beogende Instelling) status, meaning that the Foundation's objective is to improve the wellbeing of the general public. This status comes with favourable tax benefits for donors. Since our objectives are fully related to culture, we were granted the Cultural ANBI status. This status comes with additional favourable tax benefits for donors. ECF itself is not tax-exempt.

Our RSIN (Rechtspersonen en Samenwerkingsverbanden Informatienummer)/Fiscal number is: 002967327. Our Chamber of Commerce number is: 41199699.

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

VISION / MISSION / VALUES

OUR VISION:

An open, democratic and inclusive Europe within which culture is a valued and key contributor.

OUR MISSION:

ECF is dedicated to supporting and connecting cultural change-makers in Europe whose work contributes to an ongoing cross-sectoral debate on Europe and Europe's place in the world.

OUR VALUES:

- We are imaginative: We imagine the future, we seek creative solutions and we act as a catalyst.
- We are a connector: We are respectful of different cultures and backgrounds and we link people and ideas. We build bridges between citizens and institutions, policy-making and practice.
- We are considerate: We are attentive to people's needs.
- We are reflective: We explore, learn and share knowledge.

ARTICLES OF ASSOCIATION

The ECF adheres to its Articles of Association and its By-Laws. Both were approved by the ECF Supervisory Board, respectively on 2 December 2010 and 7 December 2011. On a regular basis we assess with our Supervisory Board if these documents are still accurate and if needed they are reviewed and updated. The latest version of our Articles of Association is deposited at the Dutch Chamber of Commerce.

INCOME

ECF has three main sources of income:

1. Income from the lotteries

Through a longstanding agreement with the Prins Bernhard Cultuurfonds ECF receives 25% of the Prins Bernhard Cultuurfonds' lottery income.

2. Fundraised income

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

3. Income from ECF's securities portfolio

ECF has a reserve in the form of a securities portfolio which is externally managed by an asset manager. Our ambition is to cover our overhead expenses with the income generated through this securities portfolio. Furthermore, this securities portfolio functions as a buffer, allowing the organisation to continue operating for a limited period of time in case there is a drop in income.

In the December 2014 Supervisory Board meeting it was decided to mitigate potential risks by selling our bonds portfolio and holding on to these funds in cash. The bonds portfolio was sold in April 2015.

ADHERENCE CODE WIJFFELS

ECF endorses the principles of the Code Wijffels: 'Code Goed Bestuur voor Goede Doelen' (Code of Good Governance for Charities). In line with this we adhere to the following three principles:

1. A clear separation between the roles of:

- Management (ECF's Director)
- Supervision (ECF's Supervisory Board)
- Execution (ECF's employees)

2. Optimising interaction with stakeholders

3. Optimising effectiveness and efficiency of expenditure.

1. A CLEAR SEPARATION BETWEEN MANAGEMENT, SUPERVISION AND EXECUTION

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

MANAGEMENT – Director’s responsibilities

ECF’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, Supervisory Board and Strategic Team (ST) are present. However, more regular and informal contact is maintained outside these meetings with individual members of the ECF Supervisory Board.

Every second week, the Director meets with the ST to discuss strategic matters. The ST consists of the Head of Advocacy, Research & Development and the Head of Business Development & Communications. The ST and their respective teams are responsible for the execution of ECF’s strategy, as well as development and execution of ECF’s procedures and policies. Every second week (alternating with the ST meetings) the Director and the ST meet with the team leaders at the Managers’ Meeting. In this meeting day-to-day business is discussed.

Current Director of ECF

Katherine Watson is the current Director of ECF. She was appointed in June 2010.

Prior to this appointment, Katherine Watson held the following positions:

- Associate Director of ECF (2009-2010)
- Director, LabforCulture.org (2006-2010)
- Founder and Vice-President, Meta4 Creative Communications Ltd. (2003-2006)
- Executive Producer, www.terminus1525.ca (2001-2005)
- Independent Producer and Cultural Consultant (2000-2001)
- Festival Director, UKaccents, British Council & British High Commission (1998-1999)
- General Manager and Associate Director, Le Groupe Dance Lab (1989-1998)
- Teacher, event programmer, cultural manager (1982-1989).

Additional roles:

- Vice-Chair of Management Committee, European Foundation Centre, Belgium
- Governing Council, European Foundation Centre, Belgium
- Management Committee, European Foundation Centre, Belgium
- Supervisory Board Member, Alliance Publishing Trust, UK
- Advisory Board Member, Eurotopics, BpB, Germany
- Jury member, Gulbenkian Foundation, UK.

SUPERVISION – Supervisory Board responsibilities

The Supervisory Board is ECF's supervisory body. The roles and responsibilities of the Supervisory Board Members are stated in ECF's Articles of Association and By-Laws. The main responsibilities can be summarised as follows:

- Decide upon and evaluate the Foundation's strategy, and prioritize the Foundation's activities;
- Evaluate the efficient use of the Foundation's resources (approval of budget and Annual Report);
- Appoint the Foundation's Director, members of the Supervisory Board and the President.

Current Supervisory Board Members

At the end of this document a list of additional roles and responsibilities per Supervisory Board Member is published.

- Görgün Taner (*Chair*)
- Rien van Gendt (*Vice-Chair*)
- Arent Foch (*Treasurer*)
- Isabel Alçada
- Rob Defares
- Christophe de Voogd
- Mária Hlavajová
- Nike Jonah
- Joachim Rogall
- Mats Rolén
- Igno van Waesberghe (*Advisor representing Prins Bernhard Cultuurfonds*)

Recruitment

Appointments for ECF's Supervisory Board are based on a number of core criteria, including: expertise, international perspective, cultural, regional and demographic diversity, and a European network. Additional functions must preferably be of value and should not lead to conflicting interests. In case of upcoming vacancies, the ECF's and Supervisory Board's extended network is informed and candidates are put forward.

Evaluation

In 2014 the Supervisory Board started self-evaluating. The evaluation is performed based on a list of questions which were developed by the Supervisory Board Members.

Remuneration

The Supervisory Board Members do not receive remuneration for their work. However, expenditure incurred for travel etc. is reimbursed on request.

The Executive Committee

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

The Audit Committee consists of the Chair, the Vice-Chair, the Treasurer, the Director and the Advisor from the Prins Bernhard Cultuurfonds.

President

The President holds an extraordinary membership of the Supervisory Board. Her main responsibilities are:

1. Co-approval on decisions as specified in the Articles of Association.
2. Presence at Supervisory Board meetings, providing her views on matters or decisions as specified in the Articles of Association.
3. The President is involved in the organisation's strategy development, the evaluation of results and representation of the organisation.
4. The President does not chair the Supervisory Board but plays an active and visible role.

The current President is HRH Princess Laurentien of the Netherlands.

Term

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

Conflict 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 while a decision is being taken on a specific matter.

In addition, all Supervisory Board Members are required to sign a statement to declare their endorsement of the principles stated at the beginning of this document (Code Wijffels) and confirming that there is no conflict of interest between the responsibilities he/she fulfils for ECF and other relationships/positions he/she holds. This declaration is a requirement of the CBF seal of approval.

EXECUTION – Employees' responsibilities

The Strategic Team (ST), together with their respective teams, is responsible for the implementation of ECF's strategy, as well as development and execution of ECF's procedures and policies. Every other week, the ST meets with all other team leaders to discuss current, operational matters (Managers' Meeting). In the weeks where no Managers' Meeting takes place the ST meets with the Director on strategic matters.

2. OPTIMISING INTERACTION WITH STAKEHOLDERS

Donors

ECF's largest donor is the Prins Bernhard Cultuurfonds (PBCF). Through a longstanding agreement between both organisations, ECF receives 25% of the PBCF's lottery income. Every quarter there is a meeting with the organisations' directors and their key staff to discuss strategy, operational activities, possibilities for exchange of information/ knowledge and collaboration.

On a more informal level, there are regular meetings between project managers and other team leaders, exchanging ideas and information.

ECF receives funding from a number of different sources including: the Robert Bosch Foundation; Stiftung Mercator; Swiss Agency for Development and Cooperation; Fondazione Cariplo; Stavros Niarchos Foundation; Fonds voor Cultuurparticipatie; British Council; Gulbenkian Foundation UK; Amsterdam Fonds voor de Kunst and the European Commission. An overview of all amounts received per source is included in ECF's annual accounts.

ECF maintains contact with all these organisations on different levels. ECF has had a longstanding relationship with many organisations, such as Robert Bosch Foundation and Stiftung Mercator, and a multitude of projects have been funded by these foundations. At a programme level, as well as at director level, ECF maintains good and regular contact with all of these parties.

Grantees

The recipients of ECF grants, whether a Step Beyond Travel Grant, or an R&D Grant, represent the future of culture in the regions where ECF is active. They are ECF's eyes and ears in the regions. ECF maintains contact with a large number of grantees through its network and social media channels. Additionally, some grantees become advisors, partners or participants in another ECF project, a contributor to one of our publications, or (successfully) apply for another grant.

Partner organisations

In order to make optimum use of each other's resources (staff, expertise, network etc), ECF often undertakes projects with one or multiple NGO project partners. Examples are the Tandem projects where ECF works closely together with MitOst; the Balkans Art and Culture Fund with ArtAngle and the Connected Action for the Commons (Networked Programme) where ECF works together with: Culture 2 Commons, Les Têtes de l'Art, Krytyka Polityczna, Oberliht, Platoniq and Subtopia.

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

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

Target audience

ECF's target audience varies from cultural workers in the countries in which we are active to (cultural) policy-makers and politicians involved in culture all over Europe and its neighbouring countries. Over the last few years, we have increased our focus on developing an audience in the Netherlands, working with Dutch partners and organising events in the Netherlands. The intention is to increase the brand recognition for ECF in the Netherlands.

Communication with our target audience is evolving. ECF is moving towards the use of a digital annual report, as well as launching new websites on which large communities share their experiences, and increasingly using social media such as Twitter, Facebook and LinkedIn. We have also developed the ECF Labs an interactive platform, an engine for communities which allows for sharing, discussion, creation and more.

Employees

Our most valuable asset is our staff. ECF's team consists of 32 employees. The team is motivated, dedicated and driven to making a difference.

Clear communication with our team is of utmost importance. We are a small team and communication/reporting lines are short. We keep everyone updated on everything that is relevant to the organisation through regular team meetings. In addition, we use our intranet to share information and latest news. Full staff meetings are held every quarter following the Supervisory Board meetings.

The organisation uses a confidential advisor to support employees who are dealing with unwanted behaviour in the workplace (sexual intimidation or harassment, discrimination, bullying, aggression and violence). ECF will not tolerate these kinds of behaviour.

Since 2015 ECF has a 'Personeelsvertegenwoordiging' (PVT; employee representation group), consisting of three elected staff members. The PVT has quarterly meetings with the Director and HR manager. Its aim is to ensure discussion and dialogue between management and staff on a regular basis.

Press

With a focus on increasing the brand awareness of our target groups, the European press is a very important stakeholder. The interaction with the press is on an ad hoc basis, yet the frequency of communication continues to increase. Currently ECF enjoys a better understanding from the Dutch press in terms of the organisation mission and activities. This makes it easier to convince journalists and editors that a piece of information is worth printing or an event/activity is worth reporting on.

3. OPTIMISING EFFECTIVENESS AND EFFICIENCY OF EXPENDITURE

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

Fund Development

On a monthly basis a financial overview is provided representing the status of all sponsor commitments. All committed, pending and potential contributions are listed and compared with the current budget. At the monthly Fund Development meetings the status of the sponsorships are discussed by the Fund Manager and the ECF budget holders.

Monthly reporting

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

Quarterly reporting

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

Contractual obligations

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

Ad-hoc reporting

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

Treasurer reports

The Treasurer receives monthly reports on specific cost codes (director's expenses, credit card expenses) and payments above a certain amount (EUR 20.000). This allows him to monitor ECF's spending. Additionally, the treasurer signs off on all contracts over EUR 20.000.

Reporting guidelines

There are clear reporting guidelines for grantees, which are agreed in the contract. Only upon receipt of a report that shows the agreed progress and results will the next or final installment be transferred. Grantees and partners need to comply with ECF's guidelines considering reporting and crediting the Foundation.

If a grantee/partner has not completed the project within the agreed timeframe, ECF could decide to cancel the outstanding grant. Each year all cancelled grants are reported to and approved by the ECF Supervisory Board. The total amount of cancelled grants is reflected in the ECF annual accounts.

External auditor – Annual Accounts

After performing the annual audit ECF's external auditor (Dubois & Co) reports its findings to the Executive Committee. Dubois & Co prepares the auditor's report and a management letter, which reflects their findings. Both documents are shared with the Supervisory Board, which approves the Annual Report. Following ECF's statutes, the Supervisory Board approves the auditor that audits the annual accounts.

ECF follows guideline 650 for the reporting of their annual accounts. These are guidelines for fundraising organisations.

External auditor – Donor reporting

Several organisations that fund ECF's activities require an audit report as part of the final project report. ECF works with several auditors to comply with these requirements. Our 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.

ANNEX: ECF SUPERVISORY BOARD MEMBERS 2015

PRESIDENT

HRH Princess Laurentien of the Netherlands

UNESCO Special Envoy on Literacy for Development
Reading and Writing Foundation, The Hague – Founder and Honorary Chair
Missing Chapter Foundation – Founder and Managing Director
NLBB Association of people with reading disabilities – Patron
Dutch Language Society (Genootschap Onze Taal), The Hague – Patron
Association of Public Libraries, The Hague – Honorary Chair
Fauna & Flora International, Cambridge, UK – President
European Climate Foundation, The Hague – Fellow
Major Alliance, The Hague – Executive Fellow

CHAIR

Görgün Taner (TR)

Istanbul Foundation for Culture and Arts, Istanbul – General Director
Istanbul Modern, Istanbul – Board Member
HEC Montreal, Montreal – Member of International Advisory Board
Allianz, Istanbul - International Advisory Board Member
German Turkish Youth Bridge, Istanbul/Düsseldorf – Advisory Board Member

VICE-CHAIR

Rien van Gendt (NL)

Jewish Humanitarian Fund, The Hague – Board Member
Bernard van Leer Stiftung, Lucerne – Board Member
Rockefeller Philanthropy Advisors, New York – Board Member
IMC Weekend School, Amsterdam – Board Member
EDLI Foundation – The Hague, Board Member
Sofam BV, Hilversum - Chairman Board
Partex BV, Amsterdam - Managing Director

TREASURER

Arent Foch (NL)

Foreman Capital, Amsterdam – Managing Director
Vereniging Rembrandt, The Hague – Vice-Chair
Prins Bernhard Cultuurfonds, Amsterdam – Advisor
Stichting African Parks Foundation, Amsterdam – Board Member

MEMBERS

Isabel Alçada (PT)

Research Centre for Interactive Technologies, Universidade Nova, Lisbon – Researcher
Nova Medical School Council, Lisbon – Chair
Counsellor to the President of the Portuguese Republic

Rob Defares (NL) (from 17 June 2015)

IMC B.V., Amsterdam – General Director
Rijksakademie van Beeldende Kunsten, Amsterdam – Supervisory Board Member
Trust Fund Rijksakademie, Amsterdam – Supervisory Board Chair
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TANDEM

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I would join this project if...

This can be...
What if we walk around that place?
WE ALL NEED FINANCE...
BUT OUR ACCESS IS CONTROLLED FINANCIAL INST...

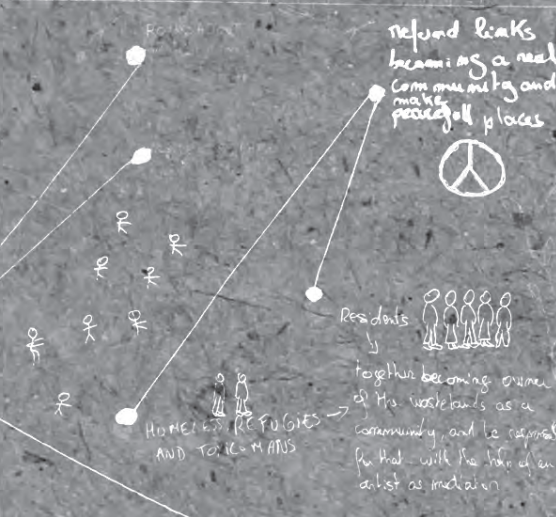
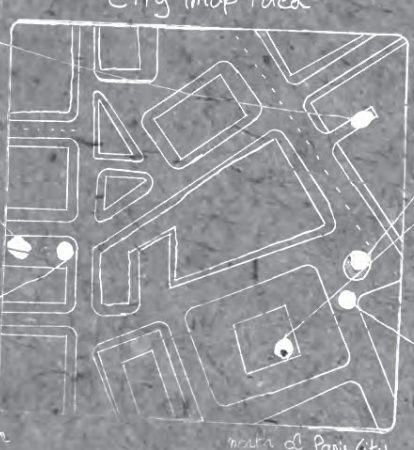


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WHAT IS MY IDEA A

