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Prince Claus Fund for  
Culture and Development

# Financial statements 2022

Prince Claus Fund  
for Culture and Development  
at Amsterdam

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# Management report 2022

## 1. General information

### Establishment, mission, vision and objective

Foundation Prince Claus Fund for Culture and Development was founded on 6 September 1996 and has its registered office at Kingsfordweg 151 in Amsterdam.

The articles of association were not changed in 2022, but are in a process of being finalised for ratification in March 2023.

The objective of the Fund is defined in its statutes as follows:

"De stichting heeft ten doel het vormen van een platform voor interculturele uitwisseling. In samenwerking met personen en organisaties in Afrika, Azië, Latijns-Amerika en de Caraïben realiseert de stichting eigentijdse activiteiten en publicaties op het gebied van cultuur en ontwikkeling." (*"The aim of the foundation is to provide a platform for intercultural exchange. In cooperation with persons and organisations in Africa, Asia, Latin America and the Caribbean, the foundation realises contemporary activities and publications in the field of culture and development."*)

The Prince Claus Fund aims to achieve this objective by, among other:

- Honouring and supporting talented individuals in the field of culture and development by awarding three different Prince Claus Awards in different phases of the cultural career.
- Promoting intercultural exchange, hereby stimulating the development of committed cultural talent and increasing their social impact.
- Supporting the creative process through, among other, mentorship to achieve cultural productions.
- Providing a platform for engaged cultural talent.

### *Mission*

The Prince Claus Fund supports, connects and honours artists and cultural practitioners in areas where cultural expression is under pressure.

### *Vision*

The Prince Claus Fund strives for a world where cultural expression is free and valued.

### Statutory provisions

According to the articles of association, the board shall draw up a balance sheet and a statement of income and expenditure within three months after the end of the financial year. The board must appoint a chartered accountant to audit the balance sheet and statement of income and expenditure. The accountant reports on his audit to the board and presents the results of his audit in an auditor's report.

In accordance with the articles of association, the financial year coincides with the calendar year.

### Honorary chair and board

According to the articles of association, the board consists of at least five persons.

Board members are appointed for a maximum period of four years. After the first four-year term has expired, they may be re-appointed once for an equal period. The hereunder resignation schedule provides an up-to-date overview of the appointments.

<u>Name</u>	<u>Entry</u>	<u>End period 1</u>	<u>End period 2</u>
HRH Prince Constantijn, Honorary chair	August 22, 2003 *	-	-
Ila Kasem (chair)	Sept. 6, 2019	Sept. 6, 2023	Sept. 6, 2027
Mohamed Bouker	March 26, 2020	March 26, 2024	March 26, 2028
Lionel Veer	April 8, 2016	April 8, 2020	April 8, 2024
Eppo van Nispen tot Sevenaer	April 8, 2016	April 8, 2020	April 8, 2024
Marietje Schaake	Nov. 18, 2016	Nov. 18, 2020	Nov. 18, 2024
Alexander Ribbink	March 17, 2017	March 17, 2021	March 17, 2025
Clarice Gargard	February 1, 2018	February 1, 2022	February 1, 2026
Nani Jansen Reventlow	February 1, 2018	February 1, 2022	February 1, 2026

\* *The Honorary chair has been appointed for an open-ended period, so no terms of office apply to him.*

In accordance with the articles of association, article 6, paragraph 2, board members receive no remuneration for the work they do for the foundation. In incidental cases, board members do receive compensation for the costs incurred on behalf of the foundation.

Individual board members report their ancillary positions to the board; the additional functions are listed on the website of the Fund.

In 2022, the board met four times for the regular board of which one was a written decision round in June.

The board approved the independence of the Cultural Emergency Response (CER), effective on 1 July 2022.

In 2022, the average attendance rate of the board was 64%.

### Management and staff

The new director Marcus Desando, appointed 1 December 2021, was active with full responsibility and worked virtually in South Africa and started his role physically in The Netherlands as of 14 April 2022.

A remuneration policy for management is in place which means that the level of management and other remuneration components were determined. This policy is updated periodically by the board. In determining this policy and setting the remuneration, the Fund follows the Regulation on the remuneration of directors of charitable organisations (see [www.goededoelennederland.nl](http://www.goededoelennederland.nl)).

The regulation provides a maximum standard for the annual income based on weighing criteria. The weighing of the situation at the Fund was done by the board. This led to a so called BSD score of 375 points with a maximum annual income of € 117,225 for 2022. The relevant annual income of the management board remained within the applicable maximum.

The amount and composition of the remuneration are explained in the financial statements in the notes to the statement of income and expenditure.

### Internship and volunteer policy

In 2022, the Fund continued to be supported by interns and volunteers. One volunteer maintained the library throughout the year as she has been doing for several years now. The Fund is very grateful to her and all the other interns and volunteers for their valuable contributions.

At the end of 2020, work was done to update the existing protocol for interns and volunteers, to facilitate an even better and positive learning experience for them. Agreements have also been made about the vacancy texts and the way in which interviews are conducted. In 2022 the policy was revisited, and responsibilities clarified.

All interns and volunteers work based on a contract in which tasks, responsibilities and obligations are described. Volunteers receive an allowance within the fiscal boundaries. Interns receive an allowance that is in line with the allowance that other cultural organisations provide. Though considering fair pay and the wish to stimulate diversity, the allowance was researched and an adjusted allowance has been put in place for 2023.

In 2022 the **average number of FTEs was 15.23**. In 2021, this average was 14.12. The reason for this increase of FTEs is that staff members were added including the new director and support staff for programmes.

### Governance

The Prince Claus Fund endorses the CBF-Code and the Good Governance Code for Cultural Organisations - the 9 principles. The Prince Claus Fund acts in accordance with the regulations of these codes. The principles of good governance - which first and foremost concern the separation of functions, good governance and accountability - are embedded in the internal regulations.

The organisation meets the criteria of the CBF hallmark ([www.cbf.nl](http://www.cbf.nl)). The tasks and responsibilities of the board and director are described in the statutes of the Prince Claus Fund (22 June 2010) and the Management Regulations (29 July 2015). The director and the board members are aware of their own role and the division of tasks, responsibilities and powers between them and act accordingly.

The board is responsible for governing the organisation. The board approves the annual plan, the long term plan, the annual budget and the annual statement of accounts as well as major collaborations. The board also approves project allocations exceeding € 25,000 for Programmes and above € 35,000 for Cultural Emergency Response (CER) until its independence in 1 July 2022.

The director is responsible, within the aims of the organisation, for general policy development and implementation, external representation, public relations policy, managing the office and staff, implementing the general terms of employment, and for preparing and implementing the decisions of the board.

The management and board are independent and act with integrity. They are alert to conflicts of interest, avoid undesirable conflicts of interest and deal with conflicts of interest transparently and carefully. The articles of association set out the procedure to be followed in the event of a conflict of interest (articles 7.2 and 8.8).

The division of tasks and powers between the director and the board are laid down in the articles of association and the board regulations.

The Fund has good rules for risk management and control and takes mitigating measures where necessary. The management and the board have an annual meeting with the external auditor.

Authorities, rules and procedures are described in the Administrative Organisation (AO) and form the framework for the administrative process. It is not only about the direct registration and control of the flow of money, but also about the interfaces of finance with the organisation and the surrounding outside world. One of the goals of the administrative organisation is to provide adequate information at the right time. Partly based on this mostly financial information, the board and management can manage and steer the organisation in the right way. In addition, the information forms the basis for rendering account. In 2021, the AO was brought in line with the new strategy. Some new processes are still under development, these have been updated in 2022 and final approval by the board will be made in 2023.

There is a complaints procedure, a whistleblowing procedure, the code of conduct, the confidential advisor protocol and the terms of employment; all updated in 2020 and added where necessary in 2021 but it did not appear necessary to make active use of them. This also applies to the external confidential advisor. The remuneration policy is appropriate for the cultural field and is laid down in the terms of employment.

Appointment of a member of the board is made on nomination by the board. The board has a broad composition, considering substantive expertise and diversity aspects such as gender and cultural background.

The director reports four times a year to the board on the progress and realisation of the established annual plans and budget. The annual report and accounts are prepared by the director and adopted by the board, as are the annual plan and budget.

The board convenes a self-evaluation meeting at least once a year and conducts an annual assessment interview with the director.

Every five years, an evaluation takes place together with the Ministry of Foreign Affairs, the largest financier. In 2020, the Ministry announced that it would not carry out an evaluation (or would have one carried out). The Fund itself performs partial evaluations on a regular basis. In 2021 the ME&L team undertook an evaluation of the results and lessons learned of the entire 2017-2020 subsidy period of the Prince Claus Fund, in which all the results achieved were laid alongside the promises made in the subsidy application to the Ministry of Foreign Affairs, and insights and lessons were included in a reflection report. In 2023 the ME&L together with management will perform a mid-term evaluation of the new strategy and its programmes.

## 2. Programmes and core-activities

### Programmes

The Fund started implementing the new strategy in 2021 with **the Award Programmes**.

#### *Prince Claus Seed Awards*

For the second time, 100 Seed Awards of € 5,000 were given to emerging cultural practitioners and young talents to boost their societally engaged cultural practice. By recognising emerging talents with a Prince Claus Seed Award, we aim to boost their emerging cultural careers and practices and provide room to develop new perspectives on societal challenges within their practice through experimentation.

The open call for 2022 received 1,260 applications, 585 of which were 'longlisted' and 138 of which were 'shortlisted'. The final selection of 100 Seed Award Recipients was made with the advice of 15 external expert advisors, who focussed on artistic quality, and the potential impact of the award. Diversity of gender, discipline, people and geographies were also kept in consideration to ensure a balanced selection and the prioritisation of marginalised voices. The final selection of 2022 Seed Awardees consists of 100 practitioners of 70 nationalities, living in 68 countries. Of these, the selection includes 43 women, 37 men and 20 non-binary individuals. Although they range in age between 22 and 40 years old, all of them are in the early years of a professional career in their chosen discipline. The average age of the recipients (when the award was announced) is 29.8. 50 of the 100 awardees are living in countries designated by the Ministry of Foreign Affairs as focus countries.

In October 2022 the recipients of the Prince Claus Seed Awards were publicly announced on the Prince Claus Fund website and social media. The announcement was the Fund's most successful post of the year on Instagram. Profiles of each of the Seed Award recipients were published on the website of the Prince Claus Fund, through an interactive list sortable by country, discipline, and the themes of Awardees' work.

A small selection of Seed Award Recipients from the 2021 cohort also took part in Mobile labs Activities and Impact awards ceremony which was held in December 2022 as part of special projects and/or Exchanges. Seed Award Recipients will also have additional opportunities to connect with each other and with others from the Fund's network (see more under Exchanges and Special Programmes).

#### *Prince Claus Mentorship Awards*

36 practitioners from various disciplines were recognised with a Prince Claus Mentorship Award through three thematic Mentorship Award programmes, engaging with societal challenges and focused on learning & experimentation. Award Recipients in each programme were selected together with the collaborating partner organisation, through an Open Call for proposals published via the websites of both parties.

Recipients of Prince Claus Mentorship Awards received an award with a total value of € 25,000. A portion of this was made available to them for investment in their artistic practice, as well as taking part in two specialised workshops with mentors selected to help them build on their practice and develop new perspectives and innovative, interdisciplinary approaches. Meetings with mentors take place with the aim to build on lessons learnt and best practice of previous mentorship programmes. Week-long peer to peer meetings takes place at least twice a year per programme. There is additional contact between mentors and mentees twice monthly during each mentorship programme.

The final selection from the three programmes is composed of 36 artists from 26 countries, 27 of whom are from Ministry of Foreign Affairs focus countries. The gender balance of the selection is 15 women, 16 men 4 non-binary practitioners and 1 who prefers not to identify themselves by gender. The age range of award recipients is between 23 and 40, and the median age is 31.7.

12 emerging documentary photographers from the MENA region received Prince Claus Mentorship Awards through *the Arab Documentary Photography Programme*. The 2022 edition of this programme was the 9<sup>th</sup> in our longstanding collaboration with the Arab Fund for Arts and Culture (AFAC) and the Magnum Foundation, and the first to fall under the mantle of the Prince Claus Mentorship Awards.

12 potential leaders active at the cross section between arts and culture and environmentalism received Prince Claus Mentorship Awards through the *Cultural and Artistic Responses to Environmental Change*. This programme was implemented in collaboration with the Goethe Institute and built on the learnings from the three joint calls for proposals on the same theme issued between 2018 and 2020.

12 individuals received Prince Claus Mentorship Awards through the *Building Beyond Programme*. This programme was implemented in collaboration with the Creative Industries Fund NL (Stimuleringsfonds voor de creatieve industrie). Through this mentorship programme, Prince Claus Mentorship Awards were granted to creatives from a range of African countries who are reimagining the future of African cities through design and creative problem solving. In this programme we invited the participants to define the future of public space, community and functionality on a growing continent by activating the imagined possibilities of their local contexts.

Profiles of the recipients of the Mentorship Awards were also published on the website of the Prince Claus Fund.

In 2022 all the Mentorships Awardees received a contract and the financial support of the Mentorship Award. A part of the programme for the *Building beyond\_Programme* has already taken place in 2022 and the activities within the other two mentorship programmes will be implemented in 2023.

### *Prince Claus Impact Awards*

Prince Claus Impact Awards are awarded biennially to six change makers whose work addresses societal challenges in innovative and powerful ways. The Prince Claus Impact Award is intended to give a determining boost to the careers of recipients, who will become role models transforming their contexts through culture.



In 2021 the initial stages of the selection process for the first Prince Claus Impact Awards in 2022 took place and six Impact Awardees were selected by an independent jury and ratified by the board in June 2022. Potential recipients were sourced through a nomination process, in which individuals from the Fund's network were invited to suggest individuals for consideration. Nominations were requested from 328 experts from the international field of culture and development. This process resulted in 97 eligible nominations from 44 countries. The received nominations were roughly gender-balanced, with 41% female, 52% male and 7% non-binary nominees.

Eligible nominations went through a process of desk research with relevant information compiled into a dossier. A diverse international jury was also selected from the network of the Prince Claus Fund, which selected the 2022 Prince Claus Impact Award Recipients. The first meeting of the jury took place online, the jury selected six Impact Awardees. Candidates selected went through a third phase of research to answer specific questions from the jury, in which further advice was solicited from independent experts and the Dutch Embassies in the relevant countries.

The final Jury meeting happened in June 2022 where the final six Awardees were selected. Of these one was female, four were male and one nonbinary awardee. four of the six selected impact awardees are from Ministry of Foreign Affairs focus countries.

### Other parts of PROGRAMMES

Besides the new strategy - the three award programmes - **The Next Generation Programme** was still ongoing until its conclusion in July 2022. The 13 NextGen partners and several of the project partners continued their programme or project implementation. It was clear they encountered challenges along the way; the pandemic had its significant impact in 2021. In hindsight, not solely in a negative way since there were also upsides to how people managed to change their activities as a result. The experiences with online programming also started to bear fruit in 2021 and the partners were part of the final stages of this programme with a physical meeting that was held in Amsterdam and Kassel, Germany as part of the Documenta event in June 2022. But again, many planned activities could not take place or were again postponed or cancelled completely. Where transferring to online sometimes provides a solution and can even offer nice surprises, it remains impossible to transfer festivals and offer togetherness in a creative process in a safe space where young people can be themselves online.

The bi-annual meetings, meetings where the 13 NextGen partners meet twice a year, again could not take place physically. With several online meetings spread throughout the year, including closing presentations before the group, the various topics that should be covered during the bi-annual meetings were covered as much as possible under the guidance of Amani Institute.

The 23 projects of the NextGen Programme that were approved in June 2020 continued their implementation, which was aimed to take a maximum of one year until June 2021. These projects had a geographical focus on Asia and Central and Eastern Europe for innovative projects with and for young people.

The academic research project into the transformative force of art and culture that was completed in 2020 and was reflected in the research book *Forces of Art* got a follow up in 2021. It consisted of an evaluation (what did the research book achieve), an online conference with the researchers and the preparation of four Forces of Art Funders meetings took place in June 2022.

**Exchanges**, as part of Programmes, aims to invest in meaningful connections (peer to peer/ to the Dutch and international cultural field/to specific audiences) for Award recipients and the larger network of the Prince Claus Fund. Activities range from one-time connections to longer term collaborations.

In 2022 Exchanges invested in and facilitated a series of meaningful connections between current Awardees and former grantees. Because of the pandemic, some of the activities that took place in 2022, were originally planned for 2021. This included collaborations with several of our NextGen Partners and Amplifying Creative Voices grantees.

Some activities that the Exchanges programme organised are mentioned here to illustrate.

As part of the Amplifying Creative Voices programme, Exchanges continued supporting the online events series **Through the Window** from April to June 2022. This programme brought together queer artists from the Netherlands, Turkey and beyond to build an online, transnational queer community through online talks, parties and an exhibition featuring the work of 30 artists. This year Through the Window included work of five Seed Awardees.

In the **OSCAM** Speak sessions x BOUT IT #3, that were organised in 2021, women's contributions to hip-hop were celebrated through four online speak sessions, in collaboration with NextGen Partner Africulturban in Senegal. As an outcome of that, together with OSCAM we initiated a writer's camp in May 2022 for female hip hop artists from the Netherlands and Senegal, including Seed Awardee Mamy Victory. As a result the artists created 3 tracks, which they were able to share with the audience of the **Right About Now Festival** at De Brakke Grond in Amsterdam in December 2022.

Seed Awardee Sunday Obiajulu Ozegbe (Nigeria) also performed at the Right About Now Festival together with dancers from Ennovate Dance House. Both Sunday Obiajulu Ozegbe and Mamy Victory participated in a masterclass series in the same month, which we have been organizing together with **DAS Graduate School** in Amsterdam, for their students of the Master Creative Producing.

**The Quick + The Brave** launched their Inspired Flight series, a cross-platform content series that charts the creative journeys of the Prince Claus Seed Awardees. In their second journal they published stories of several Seed Awardees.

In July 2022 the Prince Claus Fund collaborated with **UNFAIR**, known for its unique approach to the art market and art collection. At the 6<sup>th</sup> edition of UNFAIR which took place at De Gashouder in Amsterdam the Fund created a special section where Seed Awardees Masha Svyatogor (Belarus), Salissa Rosa (Brazil), Jota (Brazil), Aristote Mago (DR Congo) and Sumi Anjuman (Bangladesh) got the opportunity to showcase and sell their works. The Quick + The Brave created podcasts for these Seed Awardees.

A collaboration between **Stroom Den Haag** and Next Gen Partner **Conflictorium** (India) started in 2021 and continued in 2022. They both worked on the project "Elephant in the Room", to initiate conversations on art infrastructures and the way open calls work within the art world. The result will be a publication featuring around 70 artists and art writers from India who over the past four years have applied for, but have repeatedly been rejected for financial or other forms of support. The project resulted in a beautiful publication that came out in January 2023.

This year we were able to organise our popular Cultural Speed Date in December again. 150 local and international artists came together for this networking event.

Other exchanges:

- Seed Awardees Mmeli and Sanele Sizo Hlophe from Eswatini travelled to Amsterdam to participate in the programme of Amsterdam Dance Event.
- Seed Awardee Ammara Jabbar (Pakistan) and Prince Claus Laureate Marwa Al-Sabouni (Syria) participated in What Design Can Do in Amsterdam.
- Prince Claus Laureate Uche James Iroha (Nigeria) travelled to India for a residency at Conflictorium.
- Amplifying Creative Voices Grantee Chto Delat (Russia) organised a three day event for artists in danger in Istanbul.
- Next Gen Grantee Museu dos Meninos organised a residency with local and international contributions. Prince Claus Laureate Marwa Al-Sabouni (Syria) kicked off the programme with a masterclass.
- Seed Awardee Sunday Obiajulu Ozegbe (Nigeria) travelled to Namibia to give workshops and work together with Next Gen Grantee OYO.
- Exchange between Next Gen Partner MyKali (Jordan) and Amplifying Creative Voices Grantee Rotana (Saudi Arabia/USA).
- Upcoming (coming from the Amplifying Creative Voices budget): hybrid speed dating event in collaboration with Arts Map and embassies in Turkey, Morocco, Egypt and India. Introducing the Awardees from these countries to the embassies and Dutch cultural field in an online environment.

## Core activities

### *Fundraising and Communications*

For its **fundraising**, the Fund focuses on entering sustainable relationships with, in addition to the Ministry and the National Postcode Lottery, comparable foundations and organisations, private individuals and companies. This is based on a personal approach and tailor-made propositions. This working method can be found in all fundraising activities.

The fundraising effort focuses on (substantive) collaborations with foundations and other organisations that are connected to the mission of the Fund, both in the Netherlands and abroad, individual donor fundraising (called Torchbearers) and sponsoring in kind by companies. In 2022, several collaborations with (inter)national foundations were continued.

Due to the recovery of the world from the corona crisis, physical meetings were possible for 2022 which included all the events that are curated around the presentation of the Prince Claus Impact Awards, the in-kind sponsorship were again possible which contributed to a successful 20 this included, among others, the sponsorship of legal advice by Versteeg Wigman Sprey Advocaten, Irma Boom design and the Hotel de L'Europe dinner, KLM, the Luxury Hotels of Amsterdam, and TEFAF.

In 2020, the Prince Claus Fund, after the passing of Ms Ing Yoe Tan, created the Ing Yoe Tan Fund. This registered fund is established in the memory of Ing Yoe Tan, Dutch politician and advocate for diversity, development and culture worldwide and the importance of women's rights. For the next ten years the Ing Yoe Tan Fund will support initiatives for young artists and cultural practitioners by supporting several Prince Claus Seed Awards each year, with a special emphasis on artistic education and diversity.

The fundraising costs mainly consist of the organisation and execution of several events aimed at finding and keeping the different types of donations. In 2022, the Fund organised a Thank You dinner for the torchbearers on 6 September 2022 (hosted and sponsored by Hotel de L'Europe) and a number of events for all our supporters, beneficiaries and partners as part of our Impact Awards Ceremony week in December 2022.

For its **communications** the Fund has developed and in the implementing phase of a communication strategy that incorporates the institutional and all programmatic activities of the Fund. Ever increasing effort is put towards online communication, specifically social media with good results in for example a much greater reach and engagement with the announcement of the Seed Awards.

With the awards ceremony in the palace eventually being possible at the palace and all physical events from programmes to the mobile labs as part of special projects we were able to produce very tangible and measurable results. More results and examples of the impact of the Fund's work on different target groups are given in the results framework for 2022 and in the comprehensive 2022 online annual report (as of the end of April 2023 on the Fund's website).

#### *Communication policy for stakeholders*

The Fund has an open and proper dialogue with all stakeholders, which can be divided into staff, funders, donors, benefactors, applicants, partners and governments. By means of correspondence, annual report, interim reports where necessary, newsletters and invitations to the Fund's activities, the Fund keeps the stakeholders informed and involved. The annual report and the annual figures, the evaluations and the annual plans are public and can be found on the website of the Fund.

**CER** in 2022 focused on the process towards its independence from the Prince Claus Fund: the administrative and financial decoupling, a further strengthening of the position in the field of cultural emergency aid and the relationship with (new) project and collaboration partners. This focus was in line with the new strategy and the preparation for the transition from CER to an independent organization. Successful collaborations have been established and continued with ALIPH, the Gerda Henkel Stiftung, the Whiting Foundation and the Smithsonian Institution, and work is underway on a more structural form of collaboration with both these existing and new partners and donors. The activities of CER included very successful interventions to the Ukraine heritage needs due to the instability created by the invasion. In addition, investments have been made in building an individual relationship with the Ministry of Foreign Affairs, to continue cooperation and awareness-raising activities on the international protection of heritage in crisis situations.

In 2020, CER took the lead in establishing and coordinating the Beirut Action Plan to provide emergency cultural relief after the Beirut explosion in August 2020. This has led to a unique collaboration between international heritage funders. This action was further discussed and worked on in 2022 as a model for future concerted actions, which was strongly supported by the existing network and was further developed in 2022.

In addition to preparatory work to realise the privatization of CER in 2022, CER continued its cultural emergency relief activities. In 2021, 20 acute emergency relief projects were supported in collaboration with local partners in the crisis areas, including a large-scale first aid project in Haiti after the earthquakes earlier this year, in collaboration with the CHAP Fund, and after the fire at the University Library of Cape Town in South Africa, in partnership with the Whiting Foundation and all these continued in 2022. In addition, CER has been committed to strengthening the capacity and infrastructure needed to provide emergency cultural aid in a more inclusive manner. An online Leadership Course for participants was offered, in conjunction with the Smithsonian, as well as workshops and networking opportunities for the alumni of this course. In addition, a new Regional CER Hub has been set up in Beirut, Lebanon and the Hub in Guatemala has been expanded with a second location in Petèn, which will focus on climate-related threats to cultural heritage. In 2021, in collaboration with Heritage 4 Peace and the Cultural Protection Fund, CER launched a new program for awareness-raising, lobbying and impact activities to increase visibility and emphasize the importance of culture in crisis situations. Within this program, several guest lectures, webinars and online network events have been organised.

CER was able to launch itself as an independent organisation in October 2024 with continued collaboration with the fund and it has been able to fully begin its own work in stakeholder retention and development. With their partnership with PCF, CER will continue to complete all projects that were undertaken while part of the fund and the fund is now proud to mention that a programme that started more than nine years ago is now fully independent and now a formidable partner in the protection and preservation of cultural heritage sites and emergency response.

**Special Projects** activities in 2022 were focused integrating the mobile Labs in two separate events, one at the Documenta for 2022 in Kassel, Germany and the second one in Tamale and Accra, Ghana where a total of 21 seed awardees participated with an inclusion of four previous Laureates as mentors the seed awardees were also mentored by artistic director and previous member of the jury Ken Sen Ong. The other major event as part of Special projects was the Impact awards Ceremony that took place at the Royal Palace in Amsterdam. Which also included the Louder than words event that introduced the impact awardees to the public and gave them an opportunity to present the work that they are recognised and celebrated for as part of the awardees granted to them.

In connection with the ceremony, a book was produced, printed and published in 2022.

**Monitoring, Evaluation and Learning** started 2022 with conclusion of the reflection sessions with all team members to invest in the Prince Claus Fund as a learning organisation. Another important process in 2022 was the evaluation of the seed awards 2021 which culminated in an impact report of all the work and reflections of the initial seed awards of the new strategy. Lessons learned are continually used to further examine the work and processes of the fund and inform the Monitoring, Evaluation and Learning (ME&L) plan. The approach is to following a selection of recipients of the various Prince Claus Awards for a period of three years and the focus is gathering information on the strategic assumptions that underpin our Theory of Change.

The Fund continuously monitors the programmes and activities and, where necessary, refines and adapts the approach to achieve the greatest possible impact. As a learning organisation, the Fund will continue to look critically at the lessons learned and build on its strengths, trying to make all procedures as efficient, transparent and accessible as possible.

### *Corporate Social Responsibility and activities*

The Fund focuses on the impact of the programmes and activities it undertakes and supports and the social, ecological and economic consequences these programmes and activities have. In doing so, the Fund strives for a more inclusive society in which culture can thrive. In the choice of projects and cooperation partners to be supported, the role of culture in social development/change plays a crucial role. Acting in a socially responsible manner is inherent to the objective and working method of the Fund.

As part of the new strategy an advisory committee (Accountability Committee) has been set up to look into various social issues and how the Prince Claus Fund relates to them. The committee advised the management team on urgent matters, such as diversity and inclusion, sustainability and internal communication. The committee focused on formulating concrete points of action that stimulate action in line with the Fund's values. Advice and action points are developed with input from external experts. In 2021, several plenary sessions were held on diversity and inclusion. A newsletter of the committee further informed the team on these topics.

Within its own organisation, the Fund continues to strive for a working environment that is as 'green' as possible, including its purchasing policy and digitalisation of work processes. Also in 2022, more improvements in this area were sought and will be done further in 2023 and beyond.

### *Quality of Organisation and Activities*

The Prince Claus Fund strives to maintain optimum quality in all its activities. It achieves this by involving good and independent advisors in its judgments and implementation, and by specially training staff members for these tasks. For the Prince Claus Fund, quality is a *conditio sine qua non*. Staff members and partners are aware of this in terms of not only implementing projects and processing applications but also correspondence and communication.

## 3. Risk management

The risk policy is related to:

- Financial and reputational risks with respect to the selection and expenditures on projects. The consequences of risks in this field are great; however, the chance of actual occurrence has been judged as small. Measures taken are reflected by the governance structure and the internal control within the organisation, including the use of standard contracts and the important role of the monitoring and evaluation of each project. Sufficient mitigating measures have been taken.
- The risks with respect to financial management and administration of its funds. The consequences of risks in this field are limited; the chance of occurrence has been judged as small. Measures taken are reflected by the governance structure and the internal control within the organisation, including the practice of the four eyes principle. Sufficient mitigating measures have been taken.
- Risks with respect to IT. The consequences of risks in this field are great; the chance of occurrence has been judged as average. Measures taken are reflected using a Service Level Agreement applicable to the services delivered by the IT supplier. Sufficient mitigating measures have been taken.
- Fundraising targets. The consequences of risks in this field are great; the chance of occurrence has been judged as small. Measures taken are related to the permanent monitoring of the fundraising policy and the achieved results, combined with an incorporated flexibility within the budget in case of setbacks. Sufficient mitigating measures have been taken.

- Over expenditure on budgets. The consequences of risks in this field are limited; the chance of occurrence has been judged as small. Measures taken are related to the execution of a systematic budget control and the monitoring of the monthly planning and control cycle. Sufficient mitigating measures have been taken.

The board has judged this risk policy and the measures taken and noted that sufficient measures have been taken to mitigate these risks.

## 4. Policy and function reserves and funds

### Continuity reserve

The last maximum size of the continuity reserve as determined by the board has been € 1,125,000. However, this determination is being reconsidered because of the new strategy, as well as the advice of Goede Doelen Nederland to reassess the necessary maximum of this reserve, using a model of risk analysis. The risk analysis will be finalised in the course of 2023. In the meantime, the board has decided to increase the level of € 1,125,000. The current level meets this.

By forming a continuity reserve, the Prince Claus Fund can deal with current affairs after the subsidy period and to fulfill the contractual obligations if there is no or insufficient follow-up financing.

### Other reserves and funds

If the board earmarks funds for a specific purpose and these funds have not yet been fully spent by the end of the financial year, an appropriated reserve is formed for the unspent portion. For this reason an amount of € 209,000 has been reserved for operational use for 2023 based on funds that were received for unearmarked funding that was in excess of the fund's needs for 2022. This decision was made by the board in September 2022.

Income received from third parties that has been assigned a specific destination by the provider and that has not yet been fully spent in the year of receipt, are added to an appropriated fund, unless there is a contractual commitment to contribute to project financing. In that case, the unspent part of the income is presented as received in advance on the balance sheet.

### Investment policy

The Prince Claus Fund does not wish to take any risks in investing the money at its disposal. Therefore, in accordance with a board decision, the Prince Claus Fund's revenue is only deposited in current and savings accounts.

## 5. Fiscal affairs

### Public Benefit Institution (ANBI)

On 21 August 1997 notification was received from the Dutch Tax Authorities/Registration and Succession that the Prince Claus Fund has been classified as an ANBI. In a letter dated 26 December 2007, the Tax Authorities received notice that the Prince Claus Fund has an ANBI status for an indefinite period, provided the Prince Claus Fund continues to meet the conditions.

### VAT

As of 1 January 2019, the Prince Claus Fund is registered in the administration of the Tax Authorities as an entrepreneur who only performs services that are exempt from VAT.

### Corporate income tax

The Fund is not regarded as a taxpayer for corporate income tax purposes.

### Gift tax

The awards to be granted annually by the Fund are exempt from gift tax.

### Administration

Jac's den Boer & Vink, a business economics consultancy firm for non-profit organisations, was appointed by the Prince Claus Fund to manage its administration and to draw up the financial statements 2022. 'With Accountants' was appointed to audit the financial statements. The independent auditor's report on this audit is included on page 44.

### Income aspects

For the years 2021-2024, the Minister of Foreign Affairs has awarded a subsidy amount of € 12 million in total. € 2,666,790 of this was spent in 2021. It was agreed upon to transfer the underspending of 2021 into extra spending in the years 2022-2024, as a result of which the planned spending 2022 amounted to € 3,110,000. However, by letter of 8 December 2022 the Minister of Foreign Affairs changed the grant decision through a budget increase of € 1,025,860 due to two additional activities: an amount of € 1,000,000 (€ 530,000 for 2022, € 240,000 for 2023 and € 230,000 for 2024) for the growth and strengthening of CER as an independent organisation from 2022 until 2024, plus an amount of € 25,860 for the project Side event to Mondiacult 2022. In Appendix 2 the calculation of the subsidy 2022 is displayed. The planned overspending on the 2022 subsidy of € 110,000 has been realised partly (€ 58,570) due to successful fundraising in 2022 and the (negative) effect of this on the calculation model that the ministry uses to determine their subsidy.



In addition, € 6.7 million was granted for the Next Generation Programme 2017-2020. In early 2019, the Ministry of Foreign Affairs approved a budget-neutral extension until 31 December 2021. Due to COVID-19 a second budget-neutral extension (until 1 July 2022) has been requested in 2021. This extension was awarded as well. The realisation of the eligible costs until 31 December 2022 amounts to € 6,682,003. Received until 31 December 2022 was a total amount of € 6,365,000. The difference between these amounts is receivable. From the available budget of € 6,7 million € 17,997 was underspent.

In addition to the Dutch government's financial support, the Prince Claus Fund is also a beneficiary of the Dutch National Postcode Lottery. It received its regular commitment of € 500,000 as a contribution from the lottery in 2022. This annual contribution will be continued until 2025.

Total income in 2022 was € 663,000 above budget, partly due to more unearmarked funding (from OSF) than was targeted and partly due to extra earmarked funding for Ukraine.

#### Expenditure aspects

Total expenditure 2022 is € 496,000 over budget. Direct spending on CER and programmes has been € 521,000 over budget, while indirect spending (personnel, fundraising & communications et cetera) is € 25,000 under budget.

All of the extra spending on CER and programmes was covered by extra funding over budget.

#### Balance of income and expenditure 2022, allocation of the balance, ratios

The positive balance of income and expenditure 2022 amounts to a negative balance of € 13,000, while a negative balance of € 190,000 was budgeted.

From all expenditure 2022 a total amount of € 189,000 will be funded from the Reserve CER Foundation (€ 120,000) and the restricted fund Tan. The board has decided to add the balance of income and expenditure after the processing of the mutations on the reserves and funds to a new Reserve OSF (€ 209,000). This amount has been reserved for operational use in 2023, based on funds that were received for unearmarked funding that was in excess of the Fund's needs for 2022. This decision was made by the board in September 2022.

The Prince Claus Fund uses the internal condition that of all spending, preferably 70% must be spent on direct contributions to programmes and projects, the Next Generation Programme included. In 2022 this condition is being met (75.6%).

In addition, the Prince Claus Fund uses some ratios derived from Guideline 650 and her own budget. They are stated hereunder.

	<u>Realisation 2022</u>	<u>Budget 2022</u>
<u>Internal standard</u>		
Direct costs of programmes and projects preferably minimal 70% of expenditure	75.6%	73.2%
<u>General</u>		
Costs of fundraising divided by total income	3.7%	4.7%
Share in expenditure		
- charitable activities	92.6%	91.5%
- fundraising costs	3.7%	4.5%
- management & administration costs	<u>3.7%</u>	<u>4.0%</u>
Total	<u><u>100.0%</u></u>	<u><u>100.0%</u></u>

The distribution of costs is based on the time that each staff member is expected to spend on the various activities. This estimation is then checked against the actual situation every year.

## 6. Preview and budget 2023

The summary of the budget 2023 adopted by the board can be shown as follows:

x € 1,000	<u>Budget 2023</u>
<u>Income</u>	
Income from private individuals	245.0
Income from companies	200.0
Income from lottery organisations	500.0
Income from government grants	3,350.0
Income from other non-profit organisations	<u>1,597.5</u>
Total income	<u>5,892.5</u>
<u>Expenditure</u>	
Programme expenditure	
- Programmes (including CER)	4,127.6
- Special Projects	905.0
- Monitoring, Evaluation & Learning	175.1
- Not labeled expenditure	333.6
Total programme expenditure	5,541.3
Costs of generating funds	414.0
Management and administration	<u>184.1</u>
Total expenditure	<u>6,139.4</u>
Balance before financial income and expenditure	-246.9
Financial income and expenditure	<u>0.0</u>
<b>Balance of income and expenditure</b>	<b><u><u>-246.9</u></u></b>
Allocation balance of income and expenditure	
- Continuity reserve	73.1
- Reserve OSF	-250.0
- Restricted fund Tan	<u>-70.0</u>
Total	<u><u>-246.9</u></u>

Amsterdam, 24 March 2023

On behalf of the board of the Foundation Prince Claus Fund  
Ila Kasem, chair

## A. Balance sheet as at 31 December 2022

<u>Ref.</u>	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
<b>Fixed assets</b>		
1. - Tangible fixed assets	85,109	117,295
2. - Financial fixed assets	<u>0</u>	<u>35,000</u>
Total fixed assets	<u>85,109</u>	<u>152,295</u>
<b>Current assets</b>		
3. - Receivables	1,102,416	1,096,663
4. - Cash and cash equivalents	<u>4,915,330</u>	<u>5,210,949</u>
Total current assets	<u>6,017,746</u>	<u>6,307,612</u>
<b>Total assets</b>	<b><u>6,102,855</u></b>	<b><u>6,459,907</u></b>
<b>Reserves and funds</b>		
<i>Reserves</i>		
5. - Continuity reserve	1,182,465	1,182,465
6. - Reserve CER Foundation	0	120,000
7. - Reserve fixed assets	85,109	117,295
8. - Reserve OSF	<u>208,803</u>	<u>0</u>
Total reserves	<u>1,476,377</u>	<u>1,419,760</u>
<i>Funds</i>		
9. - Restricted fund Tan	<u>563,280</u>	<u>632,280</u>
Total funds	<u>563,280</u>	<u>632,280</u>
Total reserves and funds	<u>2,039,657</u>	<u>2,052,040</u>
<b>Accruals</b>		
10. - Long term project allotments	0	374,149
10. - Short term project allotments	1,154,436	1,656,866
11. - Other short term accruals	<u>2,908,762</u>	<u>2,376,852</u>
Total accruals	<u>4,063,198</u>	<u>4,407,867</u>
<b>Total liabilities</b>	<b><u>6,102,855</u></b>	<b><u>6,459,907</u></b>

## B. Statement of income and expenditure 2022

<u>Ref.</u>	<u>Realisation 2022</u>	<u>Budget 2022</u>	<u>Realisation 2021</u>
	€	€	€
<u>Income</u>			
12. Income from private individuals	20,712	80,500	66,861
13. Income from companies	201,756	160,000	63,299
14. Income from lottery organisations	589,817	589,817	628,031
15. Income from government grants	3,771,604	3,841,032	3,475,695
16. Income from other non-profit organisations	<u>1,895,312</u>	<u>1,144,669</u>	<u>686,308</u>
Total income	<u>6,479,201</u>	<u>5,816,018</u>	<u>4,920,194</u>
<u>17. Expenditure</u>			
Programme expenditure			
- Programmes	2,757,517	2,628,920	1,453,674
- Special Projects	928,698	885,326	438,972
- Monitoring, Evaluation & Learning	217,005	213,755	150,095
- Cultural Emergency Response	1,774,356	1,403,410	1,060,806
- Next Generation	233,749	234,211	952,390
- Amplifying Creative Voices	109,808	107,983	132,334
- 25 years PCF	0	0	260,382
- CHAP Fund	0	0	63,300
Release	<u>-18,756</u>	<u>0</u>	<u>-78,865</u>
Total programme expenditure	6,002,377	5,473,605	4,433,088
Costs of generating funds	237,285	271,658	211,095
Management and administration	<u>237,729</u>	<u>236,155</u>	<u>185,274</u>
Total expenditure	<u>6,477,391</u>	<u>5,981,418</u>	<u>4,829,457</u>
Balance before financial income and expenditure	1,810	-165,400	90,737
18. Financial income and expenditure	<u>-14,193</u>	<u>-24,600</u>	<u>-19,058</u>
<b>Balance of income and expenditure</b>	<b><u><u>-12,383</u></u></b>	<b><u><u>-190,000</u></u></b>	<b><u><u>71,679</u></u></b>

	<u>Realisation 2022</u>	<u>Budget 2022</u>	<u>Realisation 2021</u>
	€	€	€
Allocation balance of income and expenditure			
- Continuity reserve	0	0	30,780
- Reserve CER Foundation	-120,000	-120,000	120,000
- Reserve fixed assets	-32,186	0	1,729
- Reserve OSF	208,803	0	0
- Restricted fund Tan	-69,000	-70,000	-43,064
- Restricted fund CHAP	<u>0</u>	<u>0</u>	<u>-37,766</u>
Total	<u><u>-12,383</u></u>	<u><u>-190,000</u></u>	<u><u>71,679</u></u>

## C. Cash flow statement

	<u>Realisation 2022</u>
	€
<u>Cash flows from operating activities</u>	
Balance of income and expenditure	-12,383
Depreciation	<u>35,084</u>
Subtotal	22,701
Changes in working capital	
- long term receivables	35,000
- short term receivables	-5,753
- accruals:	
• long term project allotments	-374,149
• short term project allotments	-502,430
• other short term accruals	<u>531,910</u>
Total cash flows from operating activities	-292,721
<u>Cash flows from investing activities</u>	
Investments fixed assets	<u>-2,898</u>
<b>Net cash flow</b>	<b><u><u>-295,619</u></u></b>
Cash and cash equivalents at beginning of year	5,210,949
Cash and cash equivalents at year end	<u>4,915,330</u>
<b>Changes in cash and cash equivalents</b>	<b><u><u>-295,619</u></u></b>

### Notes to the cash flow statement

The cash flow statement has been prepared using the indirect method and provides an insight into the cash that became available during the financial year and into the financing of expenditures in the same financial year. The cash in cash flow statement consists of cash and cash equivalents. Interest income and expenses are included in cash flow from operating activities. The purchase price of the acquired tangible fixed assets is included under investing activities.

The balance of cash and cash equivalents decreased by € 295,619 in 2022.

## D. Accounting policies

### Estimates

In order to apply the principles and rules for drawing up the financial statements, it is necessary for the board of the Prince Claus Fund to form opinions on various matters and to make estimates that may be essential for the amounts stated in the financial statements. If insight is required, the nature of these judgments and estimates, including the associated assumptions, is included in the notes to the relevant financial statement item.

### Functional currency

Items in the financial statements are measured using the currency of the economic environment in which the business activities take place (the functional currency). The financial statements have been prepared in euros. This is both the functional currency and the presentation currency of the Prince Claus Fund.

### Principles of valuation and determination of results

Principles for the valuation of assets and liabilities:

#### *General*

The financial statements have been prepared on the basis of formulated accounting policies that relate to the financial statements as a whole. The annual account is drawn up in accordance with the 'Guideline for reporting by fundraising organisations', also called Guideline 650, which was issued by the Council for Annual Reporting.

Assets and liabilities are generally valued at the purchase or manufacturing price or the current value. If no specific valuation principle is stated, valuation takes place at the purchase price. The purchase price is the amount that will be received or paid in due course on settlement of the item in question.

The financial year runs from 1 January to 31 December of any year and is therefore equal to the calendar year.

#### *Comparison with previous year*

The principles of valuation and determination of results used are unchanged in comparison with the previous year.

#### *Impairment of fixed assets*

The Prince Claus Fund assesses on each balance sheet date whether there are indications that a fixed asset may be subject to impairment. If such indications are present, the recoverable amount of the asset is determined.



*Tangible fixed assets*

Tangible fixed assets are valued at the acquisition price, less depreciation based on the expected economic life. In the year of purchase, depreciation is applied on a pro rata basis. The depreciation percentages applied are: inventory 20%, automation 33.33% and renovation Teleport Tower 20%.

*Stocks*

Stocks are valued at cost price. If a provision for bad debts needs to be made, this is deducted from the book value of the stock.

*Receivables*

Receivables are valued at the first processing at the fair value, in the subsequent valuation at amortized cost. If a provision for bad debts is to be formed, this is deducted from the book value of the receivable. Receivables with an expected duration of more than one year are presented under financial fixed assets.

*Contributions in kind*

A number of partners of the Prince Claus Fund support the Fund through gifts in kind. These include airline tickets, hotel stays and dinner meals. The valuation of these donations is based on their market value.

*Direct project contributions from collaborative partners*

For projects the Prince Claus Fund often works together with so-called collaborative partners. Cooperation partners are usually asked to contribute to the project. This contribution may be a financial contribution to the Prince Claus Fund on behalf of the project, or a direct project contribution. The latter may consist of a cash contribution to the project beneficiary and/or project costs incurred on behalf of the project. The cooperation agreements that the Prince Claus Fund signs with its partners stipulate, among other things, that:

- collaborative projects always originate from or are the initiative of the Prince Claus Fund and are carried out under the ultimate and overall coordination of the Prince Claus Fund;
- where the partner makes a cash contribution directly to the project beneficiary, proof of transfer and receipt must be submitted to the Prince Claus Fund;
- where the partner contributes to direct project costs, the collaborating partner must submit a pro forma invoice to the Prince Claus Fund for approval, as if the agreement were in the nature of an agreement 'Provision of services in return for payment'. In such a pro forma invoice, only direct project costs may be accounted for and 'general overhead' charges are not permitted;
- when the collaborating partners sign an agreement with the project beneficiary, this agreement is deemed to be on behalf of both project partners and the Prince Claus Fund must therefore always co-sign such an agreement.

Obligations entered into by the Prince Claus Fund in the context of a partnership are charged in full to the financial year in which the obligation is entered into, i.e. after the decision to do so has been taken by the Fund and made known to the beneficiary.

Settlement of this liability takes place via the balance sheet. Cash contributions by cooperation partners are matched with the project costs in relation to the cooperation in question. A difference between the cash receipt from a cooperation partner and the income calculated on the basis of the matching principle is entered on the balance sheet as a receivable or debt. The direct contributions in kind made by cooperation partners to projects are based on cofunding statements assessed and approved by the Fund, which provide a statement of the actual costs and project contributions.

*Cash and cash equivalents*

Cash and cash equivalents consist of cash and bank balances with a term of less than twelve months. Cash and cash equivalents are valued at nominal value.

*Long term debts*

Debts are valued at fair value when first processed, at amortized cost in the subsequent valuation. Long term debts have a term of more than one year.

*Short term debts*

Liabilities are initially measured at fair value, in the subsequent valuation at amortized cost. Short term debts have a term of less than one year.

*Employee pension plan*

The pension scheme is administered by Pensioenfonds Zorg en Welzijn (PFZW). In the event of a deficit at the pension fund, the Prince Claus Fund has no obligation to pay additional contributions other than higher future contributions. If there is a surplus or a deficit in the fund, PFZW will decide to either reduce or increase the contributions. Premiums are recognized as personnel expenses when due. Prepaid premiums are recognized as accrued assets if this results in a refund or a reduction in future payments. Premiums not yet paid are recognized as a liability on the balance sheet. As at the balance sheet date, the fund has a policy funding ratio of 111,6% (2021: 99.7%).

Principles for the determination of results:

*General*

The determination of the result includes, unless stated otherwise, the income and expenses attributable to the financial year.

Income for which a special purpose has been designated by the donor or by the Prince Claus Fund board is included in the statement of income and expenditure if it has been spent; if this income has not been fully spent in the reporting year, the unspent funds are included in the relevant earmarked reserve or fund, unless there has been a contractual promise to contribute to project funding. In that case, the unspent portion of the income is presented as advance receipt in the balance sheet.

A withdrawal from the earmarked reserve or fund is recognised as an expense in the statement of income and expenditure.

*Contributions in kind from collaborations*

Contributions in kind from collaborations with partners are accounted for in the year in which the actual performance was delivered.

*Donations, gifts and grants*

Donations, gifts and grants are valued at fair value. Non-financial contributions made by volunteers are not accounted for in the statement of income and expenditure.

*Legacies*

The income from legacies is processed in the financial year in which the size can be reliably estimated (reliable estimate of receipt). The Prince Claus Fund takes as its starting point the moment the funds are pledged (deed of distribution).

A percentage of the funds pledged and to be received for legacies is included directly in the result. The percentages used are: 90% cash, 50% securities and 50% real estate.

*Other income*

Other income is recognized when a reliable estimate of the revenue can be made.

*Employee benefits*

Wages, salaries and social security charges are included in the statement of income and expenditure on the basis of the conditions of employment, insofar as they are payable to employees.

*Depreciation*

Tangible fixed assets are depreciated over three to ten years from the moment they are taken into use, depending on the expected operating time of the asset concerned.

*Interest income and interest expense*

Interest income and interest expense are recognised on a time proportion basis, taking into account the effective interest rate of the assets and liabilities concerned.

*Cost allocation*

The method of cost allocation for the realisation of 2022 is in accordance with guideline RJ 650, Guideline for Fundraising Organisations. Due to the nature of the activities, the names of some direct cost categories slightly deviate from the prescribed model in appendix 3 in the statement of expenses.

*Indirect costs*

The basis for the distribution of the indirect costs is an annual estimate by the Prince Claus Fund of the time per person per destination. Personnel costs are distributed per person according to the estimate of time spent. The other personnel costs are added to the salary costs per person by means of a percentage mark-up. The amounts for the cost types: fundraising & communications, housing and office as well as depreciation are divided on the basis of FTEs. Based on the estimated time spent, the number of actual FTEs per destination is determined. The total distribution obtained is followed in the distribution of costs.

*Direct costs*

Direct costs are allocated directly to the relevant destination.

Obligations entered into by the Prince Claus Fund in the context of projects are charged in full to the financial year in which the obligation is entered into, i.e. after the decision to do so has been taken by the Fund and made known to the recipient. Settlement of the obligation in the form of a payment to the project implementer is made through the balance sheet. The direct costs which are the counterpart of contributions in kind in the case of collaborations are processed in the statement of income and expenditure after the value of the performance delivered has been established by means of a co financing statement submitted by the partner and assessed and approved by the Fund. In the case of collaborations that are entered into for several years, an allocation is made - on the basis of the project budget - per year and the collaboration is only continued if there are good substantive results and if the financial resources of the Prince Claus Fund permit this.

Post balance sheet events

There have been no significant events post balance date which would materially affect the annual accounts.

## E. Notes to the balance sheet

### Fixed assets

#### 1. - Tangible fixed assets

	<u>Inventory</u>	<u>Automation</u>	<u>Renovation Teleport Tower</u>	<u>Total</u>
	€	€	€	€
Balance January 1st	41,467	23,788	52,040	117,295
Investments 2022	0	2,898	0	2,898
Disinvestments 2022	-833	-59,382	0	-60,215
Depreciation disinvestments 2022	833	59,382	0	60,215
Depreciation 2022	<u>-10,527</u>	<u>-11,547</u>	<u>-13,010</u>	<u>-35,084</u>
Balance December 31st	<u>30,940</u>	<u>15,139</u>	<u>39,030</u>	<u>85,109</u>
Purchase value	55,625	92,782	65,050	213,457
Cumulative depreciation	<u>-14,158</u>	<u>-68,994</u>	<u>-13,010</u>	<u>-96,162</u>
Balance January 1st	<u>41,467</u>	<u>23,788</u>	<u>52,040</u>	<u>117,295</u>
Purchase value	54,792	36,298	65,050	156,140
Cumulative depreciation	<u>-23,852</u>	<u>-21,159</u>	<u>-26,020</u>	<u>-71,031</u>
Balance December 31st	<u>30,940</u>	<u>15,139</u>	<u>39,030</u>	<u>85,109</u>

The tangible fixed assets are being used for business operations.

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
2. - Financial fixed assets		
<i>Long term receivables</i>		
Collaboration G-Star	<u>0</u>	<u>35,000</u>
Total long term receivables	<u><u>0</u></u>	<u><u>35,000</u></u>

The long term receivables have a term longer than one year. The financial fixed assets are being used for business operations.

#### Current assets

3. - Receivables		
Dutch Postcode Lottery	500,000	500,000
Ministry of Foreign Affairs - subsidy Next Generation	317,003	159,829
Debtors	183,000	55,000
British Council Seed Awards	4,842	0
Cultural Heritage and Art Production fund (CHAP)	0	65,000
Income CER:		
- ALIPH pilot	0	233,624
- Ministry of Foreign Affairs	14,858	0
- Smithsonian	0	32,349
Other receivables:		
- Advance payment office costs	55,415	18,479
- Bank guarantee rental property Kingsfordweg	26,491	26,491
- Advance payment project costs	0	5,791
- Pension premiums	0	0
- Other receivables	<u>807</u>	<u>100</u>
Total receivables	<u><u>1,102,416</u></u>	<u><u>1,096,663</u></u>

All receivables have a maturity shorter than one year and are considered as collectable.

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
4. - Cash and cash equivalents		
Savings accounts	4,692,327	1,792,327
Current accounts	221,556	3,414,600
Cash	<u>1,447</u>	<u>4,022</u>
Total cash and cash equivalents	<u><u>4,915,330</u></u>	<u><u>5,210,949</u></u>

The cash and cash equivalents can be withdrawn upon demand.

#### Reserves and funds

##### *Reserves*

5. - Continuity reserve		
Balance 1 January	1,182,465	1,075,855
Allocation balance of income and expenditure	0	30,780
Balance of Reserve projects	<u>0</u>	<u>75,830</u>
Balance 31 December	<u><u>1,182,465</u></u>	<u><u>1,182,465</u></u>

The last maximum size of the continuity reserve as determined by the board has been € 1,125,000. However, this determination is being reconsidered because of the new strategy, as well as the advice of Goede Doelen Nederland to reassess the necessary maximum of this reserve, using a model of risk analysis. The risk analysis will be finalised in the course of 2023. In the meantime, the board has decided to increase the level of € 1,125,000. The current level meets this.

By forming a continuity reserve, the Prince Claus Fund can deal with current affairs after the subsidy period and to fulfill the contractual obligations if there is no or insufficient follow-up financing.

6. - Reserve CER Foundation		
Balance 1 January	120,000	0
Allocation balance of income and expenditure	<u>-120,000</u>	<u>120,000</u>
Balance 31 December	<u><u>0</u></u>	<u><u>120,000</u></u>

The Cultural Emergency Response Programme has been outsourced and privatised in 2022. A part of the preparation costs (€ 120,000) has been funded by the Prince Claus Fund.

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
7. - Reserve fixed assets		
Balance 1 January	117,295	115,566
Allocation balance of income and expenditure	<u>-32,186</u>	<u>1,729</u>
Balance 31 December	<u><u>85,109</u></u>	<u><u>117,295</u></u>

The reserve fixed assets has been formed by the board to finance the tangible fixed assets. This reserve covers the entire book value of the fixed assets at the end of the financial year.

8. - Reserve OSF		
Balance 1 January	0	0
Allocation balance of income and expenditure	<u>208,803</u>	<u>0</u>
Balance 31 December	<u><u>208,803</u></u>	<u><u>0</u></u>

In 2022 the Prince Claus Fund received an amount of \$ 800,000 (€ 792,872) to be used for the general goal of the fund. The board has decided to spend the part that was not used in 2022 in the next year.

#### *Funds*

9. - Restricted fund Tan		
Balance 1 January	632,280	675,344
Income financial year	0	25,936
Expenditures financial year	<u>-69,000</u>	<u>-69,000</u>
Balance 31 December	<u><u>563,280</u></u>	<u><u>632,280</u></u>

In 2020, the Fund received a legacy of € 675,344. And in 2021 an additional amount of € 25,936 was received. This legacy is earmarked in the will to support initiatives, where possible with the involvement of schools, in the field of artistic education aimed at the target group of young people and diversity and therefore placed in the Tan restricted fund. A spending plan has been drawn up. This restricted fund will be used over the next eight years for expenditure that meets the criteria set.



	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
<u>Accruals</u>		
10. - Project allotments		
Long term project allotments	0	374,149
Short term project allotments	<u>1,154,436</u>	<u>1,656,866</u>
Total project allotments	<u><u>1,154,436</u></u>	<u><u>2,031,015</u></u>
<i>Mutations in financial year</i>		
Balance 1 January	2,031,015	2,261,218
Allocation in financial year	4,917,821	3,322,251
Paid in financial year	-5,775,644	-3,473,589
Release in financial year	<u>-18,756</u>	<u>-78,865</u>
Balance 31 December	<u><u>1,154,436</u></u>	<u><u>2,031,015</u></u>
<p>As of 31 December 2022, the short term and long term project allotments amount to a total of € 1,154,436. The regulations prescribe that the project allotments must be split into two categories: to be settled within one year (short term) and to be settled after one year after the balance sheet date (long term). The distinction is made on the basis of an individual assessment of the projects.</p>		
11. - Other short term accruals		
Grants received in advance:		
- Subsidy 2021-2024	1,774,640	1,833,210
- Dutch National Postcode Lottery	0	89,817
- OSF 2022	0	25,000
- Goethe	95,065	82,000
- Stimuleringsfonds	114,334	100,000
CER:		
- Whiting Foundation (CER)	0	50,634
- Grant PCF minus paid for CER	697,577	0
Creditors and payables	178,959	163,064
Salary taxes	18,366	25,711
Balance leave hours	15,163	7,416
Pension premiums	<u>14,658</u>	<u>0</u>
Total other short term accruals	<u><u>2,908,762</u></u>	<u><u>2,376,852</u></u>

## RIGHTS AND COMMITMENTS NOT APPEARING IN THE BALANCE SHEET

### Stichting Cultural Emergency Response (CER)

An annual project grant of € 600,000 is given to CER by the Prince Claus Fund for the period 2022-2024, with a total of € 1,800,000. This project grant is an intrinsic part of the subsidy the Prince Claus Fund receives from the Ministry of Foreign Affairs in the subsidy period 2021-2024. The grant is un-earmarked and intended to stably establish CER as an independent organisation from 2022 until 2024.

In addition to this, also an intrinsic part of the subsidy the Prince Claus Fund receives from the Ministry of Foreign Affairs, an amount of € 1,000,000 (€ 530,000 for 2022, € 240,000 for 2023 and € 230,000 for 2024), is available for the growth and strengthening of CER as an independent organisation from 2022 until 2024.

### Rental liability

As of 1 December 2020 a lease has been entered into for 385 m<sup>2</sup> of office space at Kingsfordweg 151-201 (Teleport Tower) in Amsterdam. The agreement is entered into for a period of five years, after which it will be extended by five years each time if no notice has been given. The notice period is twelve months. As an incentive, a 12-month rent-free period has been agreed for the office space, spread over the first five years of the first lease term. The rent is indexed annually on 1 December. In 2022 the rental costs were € 100,200.

A bank guarantee of approximately € 26,500 has been issued under this agreement.

### Lease obligation

In 2021, the Fund entered into a rental contract for a period of 72 months in connection with the rental of a copier. The annual rent including VAT is approximately € 4,000.

### Multi-year project obligations and contributions from partners from collaborations

A total of 24 Mentorship Awards were granted in 2022. In addition to the financial grant of € 10,000, the Prince Claus Fund also has a liability towards the participant of a contribution of up to € 15,000 towards the costs of attending workshops in 2023.

## F. Notes to the statement of income and expenditure

	<u>Realisation 2022</u>	<u>Budget 2022</u>	<u>Realisation 2021</u>
	€	€	€
<b>INCOME</b>			
<b>12. <u>Income from private individuals</u></b>			
Legacies and estates	0	0	25,936
Donations and contributions			
- Torchbearers	16,640	70,500	38,500
- Other	<u>4,072</u>	<u>10,000</u>	<u>2,425</u>
Total income from private individuals	<u><u>20,712</u></u>	<u><u>80,500</u></u>	<u><u>66,861</u></u>
<b>13. <u>Income from companies</u></b>			
Companies (in kind)	183,756	110,000	45,299
Torchbearers	<u>18,000</u>	<u>50,000</u>	<u>18,000</u>
Total income from companies	<u><u>201,756</u></u>	<u><u>160,000</u></u>	<u><u>63,299</u></u>
<b>14. <u>Income from lottery organisations</u></b>			
Dutch National Postcode Lottery			
- Regular contribution	500,000	500,000	500,000
- Project contribution Amplifying Creative Voices	<u>89,817</u>	<u>89,817</u>	<u>128,031</u>
Total income from lottery organisations	<u><u>589,817</u></u>	<u><u>589,817</u></u>	<u><u>628,031</u></u>

In 2019, the Fund received an amount of € 1,305,000 from the National Postcode Lottery for the Amplifying Creative Voices project. The project started in 2019 and should run for two years. Due to delay because of COVID-19 not all budgeted costs have been realised in 2019, 2020 and 2021. The remaining balance has been spent in 2022.

	<u>Realisation 2022</u>	<u>Budget 2022</u>	<u>Realisation 2021</u>
	€	€	€
15. <u>Income from government grants</u>			
Ministry of Foreign Affairs - PCF 2021-2024	3,058,570	3,110,000	2,666,790
Ministry of Foreign Affairs - PCF 2017-2020	0	0	-45,492
Ministry of Foreign Affairs - additional CER	530,000	530,000	0
Ministry of Foreign Affairs - additional Mexico	25,860	25,860	0
Ministry of Foreign Affairs - Next Generation	<u>157,174</u>	<u>175,172</u>	<u>854,397</u>
Total income from government grants	<u><u>3,771,604</u></u>	<u><u>3,841,032</u></u>	<u><u>3,475,695</u></u>

For the years 2021-2024, the Minister of Foreign Affairs has awarded a subsidy amount of € 12 million in total. € 2,666,790 of this was spent in 2021. It was agreed upon to transfer the underspending of 2021 into extra spending in the years 2022-2024, as a result of which the planned spending 2022 amounted to € 3,110,000. However, by letter of 8 December 2022 the Minister of Foreign Affairs changed the grant decision through a budget increase of € 1,025,860 due to two additional activities: an amount of € 1,000,000 (€ 530,000 for 2022, € 240,000 for 2023 and € 230,000 for 2024) for the growth and strengthening of CER as an independent organisation from 2022 until 2024, plus an amount of € 25,860 for the project Side event to Mondiacult 2022. In Appendix 2 the calculation of the subsidy 2022 is displayed. The planned overspending on the 2022 subsidy of € 110,000 has been realised partly (€ 58,570) due to successful fundraising in 2022 and the (negative) effect of this on the calculation model that the ministry uses to determine their subsidy.

In addition, the Minister of Foreign Affairs has awarded a subsidy amount of € 6.7 million in total for the Next Generation Program. Originally the project period was 2017 to 2020, but early 2019, the Ministry of Foreign Affairs approved a budget-neutral extension until 31 December 2021. Due to COVID-19, a second budget-neutral extension (until 1 July 2022) had to be requested in 2021, which was awarded as well. The subsidy income has been approved up to and including the 2020 financial year.

	<u>Realisation 2022</u>	<u>Budget 2022</u>	<u>Realisation 2021</u>
	€	€	€
<b>16. <u>Income from other non-profit organisations</u></b>			
<i>Open Society Fund 2021/2022</i>	25,000	25,000	95,000
<i>Collaborations income in kind</i>			
- Arab Fund for Arts and Culture	125,490	55,000	56,065
<i>Collaborations income cash</i>			
- Stimuleringsfonds	145,666	160,000	60,000
- Goethe-Institut Worldwide	136,935	142,000	68,000
- British Council	56,000	0	0
- Andy Warhol Foundation	92,851	0	0
<i>CER income cash</i>			
- ALIPH - pilot Collaboration	3,405	10,000	123,832
- Whiting Foundation	35,632	50,634	115,334
- British Council	11,966	12,035	0
- Ukraine	372,065	0	0
- Other	4,430	0	83,077
<i>Torchbearers</i>	93,000	58,000	85,000
<i>OSF 2022 / Target</i>	<u>792,872</u>	<u>632,000</u>	<u>0</u>
Total income from other non-profit organisations	<u><u>1,895,312</u></u>	<u><u>1,144,669</u></u>	<u><u>686,308</u></u>
 <i>Total overview Torchbearers</i>			
Private individuals	16,640	70,500	38,500
Companies	18,000	50,000	18,000
Other non-profit organisations	<u>93,000</u>	<u>58,000</u>	<u>85,000</u>
Total overview Torchbearers	<u><u>127,640</u></u>	<u><u>178,500</u></u>	<u><u>141,500</u></u>

## EXPENDITURE

The explanation of the expenditure starts at page 36 with the division of expenditure between the activities.

## 17. Explanation of the expenditure 2022 - Overview of division of expenditure 2022

	Charitable activities / Spent on goals											
	Programmes	Special Projects	ME&L	CER	Next Generation	Amplifying Creative Voices	Release	Generating funds	Management and administration	Total realisation 2022	Budget 2022	Realisation 2021
	€	€	€	€	€	€	€	€	€	€	€	€
<u>Expenditure</u>												
Direct costs of programmes and projects:												
- Direct project contributions	1,467,575	5,170	3,500	1,559,110	35,640	53,950	-18,756			3,106,189		2,469,405
- Other direct project costs *	<u>756,573</u>	<u>777,232</u>	<u>59,590</u>	<u>23,233</u>	<u>138,677</u>	<u>37,571</u>	<u>0</u>			<u>1,792,876</u>		<u>773,981</u>
Subtotal	<u>2,224,148</u>	<u>782,402</u>	<u>63,090</u>	<u>1,582,343</u>	<u>174,317</u>	<u>91,521</u>	<u>-18,756</u>	<u>0</u>	<u>0</u>	<u>4,899,065</u>	<u>4,377,605</u>	<u>3,243,386</u>
Fundraising & Communications	15,190	4,167	4,384	5,469	1,693	521	0	59,625	6,771	97,820	130,000	91,019
Personnel	384,305	105,410	110,900	138,350	42,823	13,176	0	131,762	171,290	1,098,016	1,111,803	1,123,579
Housing	44,796	12,287	12,927	16,126	4,991	1,536	0	15,358	19,966	127,987	113,000	108,936
Office	76,798	21,064	22,161	27,647	8,557	2,633	0	26,330	34,229	219,419	212,000	226,811
Depreciation	<u>12,280</u>	<u>3,368</u>	<u>3,543</u>	<u>4,421</u>	<u>1,368</u>	<u>421</u>	<u>0</u>	<u>4,210</u>	<u>5,473</u>	<u>35,084</u>	<u>37,010</u>	<u>35,726</u>
Subtotal	<u>533,369</u>	<u>146,296</u>	<u>153,915</u>	<u>192,013</u>	<u>59,432</u>	<u>18,287</u>	<u>0</u>	<u>237,285</u>	<u>237,729</u>	<u>1,578,326</u>	<u>1,603,813</u>	<u>1,586,071</u>
Total	<u><u>2,757,517</u></u>	<u><u>928,698</u></u>	<u><u>217,005</u></u>	<u><u>1,774,356</u></u>	<u><u>233,749</u></u>	<u><u>109,808</u></u>	<u><u>-18,756</u></u>	<u><u>237,285</u></u>	<u><u>237,729</u></u>	<u><u>6,477,391</u></u>	<u><u>5,981,418</u></u>	<u><u>4,829,457</u></u>

\* Including outsourcing.

See page 25 for an explanation of the method used for the division of costs.

## Continuation explanation of the expenditure

	<u>Realisation 2022</u>	<u>Budget 2022</u>	<u>Realisation 2021</u>
	€	€	€
<u>Direct costs of programmes and projects</u>			
Programmes	2,224,148	2,099,085	1,066,295
Special Projects	782,402	740,000	284,326
Monitoring, Evaluation & Learning	63,090	60,860	32,196
Cultural Emergency Response	1,582,343	1,212,670	849,507
Next Generation	174,317	175,172	854,397
Amplifying Creative Voices	91,521	89,817	81,806
25 years PCF	0	0	107,266
CHAP Fund	0	0	46,458
	<u>4,917,821</u>	<u>4,377,604</u>	<u>3,322,251</u>
Release	-18,756	0	-78,865
	<u>4,899,065</u>	<u>4,377,604</u>	<u>3,243,386</u>
<u>Fundraising &amp; Communications</u>			
Fundraising costs	54,417	90,000	54,918
Communications Support	14,390	17,000	15,125
Subscriptions	3,534	4,300	2,159
Media Monitoring	3,899	3,900	8,072
Website Maintenance	10,527	10,500	10,049
Other	11,053	4,300	696
	<u>97,820</u>	<u>130,000</u>	<u>91,019</u>
Total Fundraising & Communications	<u>97,820</u>	<u>130,000</u>	<u>91,019</u>

	<u>Realisation 2022</u>	<u>Budget 2022</u>	<u>Realisation 2021</u>
	€	€	€
<u>Personnel</u>			
- Salaries			
Gross salary	772,090		675,424
Social security	121,802		115,967
Pension costs	91,951		79,592
Received benefits	0		-1,029
Total salaries	<u>985,843</u>	<u>973,000</u>	<u>869,954</u>
- Other personnel costs			
Sickness insurance	5,819	18,000	42,141
Travel	23,940	10,000	6,438
Freelance support	34,520	55,000	123,537
Miscellaneous staff costs	<u>47,894</u>	<u>55,803</u>	<u>81,509</u>
Total other personnel costs	<u>112,173</u>	<u>138,803</u>	<u>253,625</u>
Total personnel	<u><u>1,098,016</u></u>	<u><u>1,111,803</u></u>	<u><u>1,123,579</u></u>
<i>Average FTE of staff on the payroll</i>	15.23	14.75	14.12
<i>Specification miscellaneous staff costs</i>			
Salaries interns	6,895	7,500	7,574
Volunteers	1,244	3,000	2,258
Training & coaching	7,558	12,000	5,320
Recruitment	744	169	57,901
Other personnel costs	<u>31,453</u>	<u>33,134</u>	<u>8,456</u>
Total specification miscellaneous staff costs	<u><u>47,894</u></u>	<u><u>55,803</u></u>	<u><u>81,509</u></u>

The average personnel costs per full-time appointment amounted to € 72,096 in 2022 and € 79,574 in 2021. The remuneration of the director is explained on page 42 in accordance with the regulations based on the Standards for the Remuneration of senior executives in the Public and Semi-Public Sector Act (in Dutch Wet Normering Topinkomens).



	<u>Realisation 2022</u>	<u>Budget 2022</u>	<u>Realisation 2021</u>
	€	€	€
<u>Housing</u>			
Rent	100,174	98,000	90,134
Cleaning	10,248	10,000	10,632
Other	<u>17,565</u>	<u>5,000</u>	<u>8,170</u>
Total housing	<u><u>127,987</u></u>	<u><u>113,000</u></u>	<u><u>108,936</u></u>

Office

Mail and courier	2,477	2,500	4,169
Telecommunications	2,996	2,500	2,407
Office materials	2,066	1,500	1,775
Printing	1,355	1,000	411
Copying	4,024	4,000	3,836
Maintenance	3,775	5,000	7,446
ICT	45,255	53,000	65,599
Travel Netherlands	706	1,000	321
Travel abroad	4,328	1,000	0
Meeting expenses	1,718	3,000	305
Representation	2,472	3,000	1,545
Financial administration	70,876	60,000	63,071
Consultancy	23,625	20,000	25,663
Strategy (implementation)	0	0	3,706
Documentation	755	500	273
Legal costs	2,273	10,000	3,581
Audit costs	21,090	21,000	20,437
Insurance	4,661	6,000	6,153
Bank charges	19,640	12,000	12,567
Other	<u>5,327</u>	<u>5,000</u>	<u>3,546</u>
Total office	<u><u>219,419</u></u>	<u><u>212,000</u></u>	<u><u>226,811</u></u>

Depreciation

Inventory	10,527	10,000	8,775
Automation	11,547	14,000	13,941
Renovation Teleport Tower	<u>13,010</u>	<u>13,010</u>	<u>13,010</u>
Total depreciation	<u><u>35,084</u></u>	<u><u>37,010</u></u>	<u><u>35,726</u></u>

	<u>Realisation 2022</u>	<u>Budget 2022</u>	<u>Realisation 2021</u>
	€	€	€
18. <u>Financial income and expenditure</u>			
Interest	<u>-14,193</u>	<u>-24,600</u>	<u>-19,058</u>
Total financial income and expenditure	<u><u>-14,193</u></u>	<u><u>-24,600</u></u>	<u><u>-19,058</u></u>

## G. Key figures

	<u>Realisation 2022</u>	<u>Budget 2022</u>
<u>Internal standard</u>		
1. Direct costs of programmes and projects preferably minimal 70% of expenditure	75.6%	73.2%
<u>General</u>		
2. Costs of fundraising divided by total income	3.7%	4.7%
3. Share in expenditure		
- charitable activities	92.6%	91.5%
- fundraising costs	3.7%	4.5%
- management & administration costs	<u>3.7%</u>	<u>4.0%</u>
Total	<u><u>100.0%</u></u>	<u><u>100.0%</u></u>

## H. WNT reporting 2022 Prince Claus Fund for Culture and Development

On 1 January 2013, the WNT Act came into force. This report has been drawn up on the basis of the following regulations applicable to Prince Claus Fund: the general WNT maximum.

The remuneration maximum in 2022 for the Prince Claus Fund is € 216,000. (2021: € 209,000). This applies in proportion to the duration and/or size of the employment.

### Remuneration of senior executives

#### 1a Senior executives with employment status

	<b>M. Desando</b>
<u>Job details 2022</u>	director
Start and end of job in 2022	1/1-31/12
Part-time factor (in FTE)	1.00
Employment?	yes
<u>Annual income 2022</u>	
Gross salary	€ 90,000
Vacation allowance	€ 7,200
Total annual income	€ 97,200
Taxable allowances/additions	€ -
Remuneration plus taxable expense allowances	€ -
Remuneration payable in the future (employer's pension contribution)	€ 11,047
<b>Total remuneration 2022</b>	<b>€ 108,247</b>
<u>Job details 2021</u>	director
Start and end of job in 2021	1/12-31/12
Part-time factor (in FTE)	1.00
Employment?	yes
<u>Annual income 2021</u>	
Gross salary	€ 7,500
Vacation allowance	€ 600
Total annual income	€ 8,100
Taxable allowances/additions	€ -
Remuneration plus taxable expense allowances	€ -
Remuneration payable in the future (employer's pension contribution)	€ 1,188
<b>Total remuneration 2021</b>	<b>€ 9,288</b>

#### Supervisory executives

The board does not receive any remuneration. For names and job details, please see page 2.

## Other information

### Appropriation of balance

The negative balance of income and expenses of € 12,383 has been accounted for in accordance with the representation on page 20 of the Financial statements 2022.

## Independent auditor's report

According to the articles of association, the board appoints an independent auditor whose task it is to audit and report on the annual accounts. The independent auditor's report is included at the next page of the annual accounts.

## INDEPENDENT AUDITOR'S REPORT

To: the Board of Stichting Prince Claus Fund

### Report on the audit of the financial statements 2022 included in the annual report

#### **Our opinion**

We have audited the financial statements 2022 of Stichting Prince Claus Fund based in Amsterdam.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Stichting Prince Claus Fund as at 31 December 2022 and of its result for 2022 in accordance with the Guideline for annual reporting 650 'Fondsenwervende organisaties' of the Dutch Accounting Standards Board and the requirements of the Wet normering topinkomens (WNT).

The financial statements comprise:

1. the balance sheet as at 31 December 2022;
2. the statement of income and expenditure for 2022; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

#### **Basis for our opinion**

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing and the 'Regeling Controleprotocol WNT 2022'. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Stichting Prince Claus Fund in accordance with the 'Verordening inzake de Onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

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

#### **Unaudited compliance with the anti-cumulation clause in the WNT**

In accordance with the 'Regeling Controleprotocol WNT 2022' we did not audit the anti-cumulation clause referred to in Section 1.6a of the WNT and Section 5 subsection 1n and 1o of the 'Uitvoeringsregeling WNT'. Consequently, we did not verify whether or not the maximum salary norm has been exceeded by a 'leidinggevende topfunctionaris' (managing senior official) due to possible employment at other institutions subject to the WNT, and whether the WNT-disclosure as required in relation to this clause is accurate and complete.

## **Report on the other information included in the annual report**

The annual report contains other information, in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains all the information regarding the management report and the other information as required by the Guideline for annual reporting 650 'Fondsenwervende organisaties' of the Dutch Accounting Standards Board.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The Board is responsible for the preparation of the management report and other information in accordance with the Guideline for annual reporting 650 'Fondsenwervende organisaties' of the Dutch Accounting Standards Board.

## **Description of responsibilities regarding the financial statements**

### ***Responsibilities of the Board for the financial statements***

The Board is responsible for the preparation and fair presentation of the financial statements in accordance with the Guideline for annual reporting 650 'Fondsenwervende organisaties' of the Dutch Accounting Standards Board and the requirements of the WNT. Furthermore, the Board is responsible for such internal control as the Board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the Board is responsible for assessing the foundation's ability to continue as a going concern. Based on the financial reporting framework mentioned, the Board should prepare the financial statements using the going concern basis of accounting unless the Board either intends to liquidate the foundation or to cease operations, or has no realistic alternative but to do so. The Board should disclose events and circumstances that may cast significant doubt on the foundation's ability to continue as a going concern in the financial statements.

### ***Our responsibilities for the audit of the financial statements***

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, the 'Regeling Controleprotocol WNT 2022', ethical requirements and independence requirements. Our audit included e.g.:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the foundation's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board;
- concluding on the appropriateness of the Board's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a foundation to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Was signed Sliedrecht, 28 March 2023.

WITh Accountants B.V.  
A.M. Tromp MSc RA

## Appendix 1: Next Generation

	Realisation 2017-2021	Realisation 2022	Programme budget 2022	Programme budget total
	€	€	€	€
Long term collaborations	3,188,006	94,902	111,994	3,300,000
Calls for proposals	1,191,802	712	8,152	1,200,000
Awards	105,046	0	0	105,000
Public Programme	583,531	6,618	6,469	590,000
Research	491,443	54,942	48,557	540,000
Contingency	135,956	0	0	175,000
<b>Subtotal direct project costs</b>	<b>5,695,784</b>	<b>157,174</b>	<b>175,172</b>	<b>5,910,000</b>
Personnel	924,084	42,823	43,360	585,750
Personnel contingency	39,044	0	0	0
Overhead	347,893	16,609	15,678	294,250
<b>Total costs</b>	<b>7,006,805</b>	<b>216,606</b>	<b>234,211</b>	<b>6,790,000</b>
Financing:				
- Ministry of Foreign Affairs	6,524,829	157,174	175,172	6,700,000
- Hivos	50,000	0	0	50,000
- ECF	40,000	0	0	40,000
- PCF	391,976	59,432	59,039	0
<b>Total financing</b>	<b>7,006,805</b>	<b>216,606</b>	<b>234,211</b>	<b>6,790,000</b>

## Appendix 2: Subsidy Ministry of Foreign Affairs

	Realisation 2021	Realisation 2022
	€	€
<b>Income</b>		
Income according financial statements	5,253,403	6,420,631
Income Next Generation (NG)	-854,397	-157,174
TAN	-25,937	0
<b>Total contributions (A)</b>	<b>4,373,069</b>	<b>6,263,457</b>
Own income: interest	-19,058	-14,193
<b>Total income (B)</b>	<b>4,354,011</b>	<b>6,249,264</b>
<b>Expenditure</b>		
Expenditure according financial statements	4,829,457	6,477,391
Minus:		
Expenditure Next Generation (direct costs NG)	-854,397	-157,174
CHAP	-37,766	0
TAN	-69,000	-69,000
<b>Total expenditure (C)</b>	<b>3,868,294</b>	<b>6,251,217</b>
Own income: interest	19,058	14,193
<b>Expenditure to be allocated</b>	<b>3,887,352</b>	<b>6,265,410</b>
Residual balance (B - C)	485,717	-485,717
Basis for write-off (D)	3,887,352	5,779,693
<b>Calculation of percentage and approved charges</b>		
Subsidy Ministry of Foreign Affairs (E)	3,000,000	3,555,860
Rate (E / A) = (F)	68.60%	56.77%
Expenditure charged to new funds (F*D)	2,666,790	3,281,220
Expenditure charged to old funds (F*D)	0	333,210
Amount to be written off	2,666,790	3,614,430
<b>Residual balance</b>	<b>333,210</b>	<b>274,640</b>
<b>Actual subsidy</b>	<b>2,666,790</b>	<b>3,614,430</b>