

# Financial statements 2024

Cultural Emergency Response  
at Amsterdam

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## Board report 2024

This board report reflects the activities from the 1<sup>st</sup> of January 2024 until 31 December 2024 and has been developed in collaboration between the board of CER and the director.

### 1. General information

#### Establishment, mission, vision, and objective

Cultural Emergency Response (CER) Foundation was founded on 22 June 2022 and has its registered office at Nieuwe Herengracht 14, 1018 DP, Amsterdam, the Netherlands.

The objective of CER is defined in its statutes as follows:

“De stichting stelt zich ten doel het bieden van noodhulp aan cultuurgoed in het geval van dreiging, schade of vernietiging ten gevolge van rampen of conflict, en het verrichten van al hetgeen dat met het dit doel verband houdt of daartoe bevorderlijk kan zijn in de ruimste zin van het woord.”

CER aims to achieve this objective by, among other, providing first aid to cultural heritage threatened or damaged by conflict or disaster, always doing so in direct cooperation with local actors in the affected communities. CER provides quick and flexible financial support and expertise to assist heritage actors and communities as they assess risks and damages, implement stabilisation, and conduct early recovery measures. Emergency actions aim to prevent the loss of endangered cultural heritage, facilitate cultural continuity, and build resilience in times of crisis. CER also works with heritage communities to prepare for crises and mitigate potential risks to cultural heritage. Beyond emergency response, CER's wider purpose is to make global heritage protection more inclusive, sustainable and locally-led, notably by training heritage experts, sharing expertise and experience, and advocating the recognition of cultural heritage rescue as a crucial aspect of humanitarian relief, recovery, development and peacebuilding.

#### Mission

Our mission is to coordinate and support locally-led protection of heritage under threat. We promote inclusivity and accessibility by developing and strengthening decentralised infrastructures for cultural emergency response. We provide fast, flexible support to fit the needs of local actors in crisis situations and invest in the capacities of our partners through dialogue, training, and sharing expertise. Our advocacy work makes the case that cultural rescue is a vital component of humanitarian relief.

#### Vision

We see a future in which all heritage communities can safeguard their culture in times of crisis. We want to build a strong and inclusive heritage system in a world that recognises the protection of cultural heritage as a humanitarian issue.

### Statutory provisions

According to the articles of association, the board shall draw up a balance sheet and a statement of income and expenditure within six months after the end of the financial year. The board can 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 their audit in an auditor's report.

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

### Board

According to the articles of association, the board consists of at least three 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>
Bijan Rouhani (chair)	22 June 2022	22 June 2026	22 June 2030
Mechtild van den Hombergh	22 June 2022	22 June 2026	22 June 2030
Alexander Ribbink	22 June 2022	22 June 2026	22 June 2030
Marieke van Schaik	1 January 2025	1 January 2029	1 January 2033

In accordance with the articles of association, article 4, paragraph 8, 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. A brief overview of the most relevant ancillary positions is given below. Additional functions will be listed on the CER website.

<u>Name</u>	<u>Positions</u>
Bijan Rouhani (chair)	Senior Researcher and Deputy Director, Endangered Archaeology in the Middle East and North Africa (EAMENA) project, School of Archaeology, University of Oxford, Member of the Blue Shield UK; Vice-President of the International Scientific Committee on Risk Preparedness of the International Council of Museums and Sites (ICOMOS); Member of the Nahrein Network Management Committee at University College London.
Mechtild van den Hombergh	Managing director a.i. Academy for Theatre and Dance (ATD) of the Amsterdam University of the Arts; Board Member of Sarakasi Trust Kenya; Member of the Toekenningenraad of the Goede Doelen Loterijen (Postcode Loterij and Vrienden Loterij).

Name	Positions
Alexander Ribbink	Member of the AIV Peace & Security Committee. Board Member of several profit- and not-for-profit organisations (a.o. Cultural Emergency Response, Avalor AI, Perciv. AI, Crisp, Nextail, Lendis, Gourmey and Feather)
Marieke van Schaik	Consultant, team coach, and mediator. Chair of the Supervisory Board of the Dr Denis Mukwege Foundation. Member of the Board of the Roosevelt Foundation - Four Freedoms Awards.

In 2024 the board met four times for the regular board meetings. In addition, interim consultations on strategic and financial issues took place with (part of) the board. The board was also active in the approval of emergency projects above € 35,000.

For all four board meetings, the attendance rate of the board was **100%**.

#### Management and staff

As per the 1<sup>st</sup> of July 2022, Sanne Letschert was appointed as the director of CER. Before the establishment of the foundation, she was Head of the CER programme under the Prince Claus Fund for Culture and Development.

In determining the remuneration of the director, CER follows the regulation on the remuneration of directors of charitable organisations. The regulation provides a maximum standard for the annual income based on weighing criteria, considering the director's duties, the field in which the organisation operates, and the size and complexity of the organisation. This assessment is weighed with the 'Basis Score voor Directiefuncties' (BSD) or Basic Score for Directorships. The number of BSD points determines which job group a director falls into. In total there are eight job groups, each with its own maximum annual income. The weighing of the situation at CER was executed by the board. This led to a BSD score of 385, placing the organisation in function group G of the remuneration regulation with a maximum annual income of € 129,292 for 2024.

The relevant annual income of the director 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.

In 2024, the **average number of FTEs was 5.89**. In 2023 this average was **5.64 FTEs**.

The average number of FTEs increased, as CER operated the full year with the staff expansion implemented in Q3 of 2023, when CER added a staff member focusing on operations and financial administration and increased the FTE of the employee focused on communications and development.

CER aims to offer its employees a remuneration that is in line with other organisations in the field. The remuneration policy includes salary scales connected to generic job descriptions for all roles in the organisation, and each employee works in line with a detailed description of tasks and responsibilities. Additionally, there are individual- and team training opportunities.

### Internship and volunteer policy

In 2024, CER was supported by two interns, both for six months, from February until July, and from June until December. CER is grateful to them for their valuable contribution. All interns work based on a contract in which tasks, responsibilities, and obligations are described. Interns receive an allowance that is in line with the allowance that other cultural organisations provide. CER was not supported by volunteers in 2024. Based on this experience, CER is in the process of developing a protocol for interns and volunteers to facilitate a constructive and positive learning experience for them.

### Governance

CER endorses the CBF-Code and the Good Governance Code for Cultural Organisations - the nine principles. CER acts in accordance with the regulations of these codes. The principles of good governance - with the separation of functions, good governance, and accountability at its core - are embedded in the internal regulations.

CER meets the criteria of the CBF - the Netherlands Fundraising Regulator - and has received official accreditation on 1 December 2024 (<https://cbf.nl/organisaties/cultural-emergency-response>).

The tasks and responsibilities of the board and director are described in the statutes of CER (22 June 2022) and the Management Regulations (9 January 2023). 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 € 35,000.

The director is responsible, within the aims of the organisation, for the daily management of the organisation, developing its strategy and realising the core objectives. This includes general policy development and implementation, financial management, development and fundraising, external representation, public relations policy, managing the office and staff, implementing the general terms of employment, and 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 4 and 5).

In 2024 CER continued to refine its Administrative Organisation (AO) in line with its strategy and independent operations. In the AO authorities, rules and procedures are described, forming the framework for the administrative process. The document reflects financial- and operational workflows and processes and includes the interfaces of finance within a wider context and external organisations. The AO is the guideline for the management and board to steer the organisation transparently in the right direction and aims to harmonise operations and provide adequate information at the right time. The AO is a living document and always subject to improvement to ensure transparent and efficient operations.

This year, CER also updated its integrity policies. Currently, the organisation has a complaints procedure, a whistleblowing procedure, a code of conduct, an ethical fundraising policy, and terms of employment in place. These protocols and guidelines were all formalised in 2023 and, where relevant, updated in 2024 in accordance with the operations and values of CER. The reporting procedure for complaints has been made more accessible. Also, the team was introduced to a new external confidential councillor. In 2024, no complaints were filed nor was the code of conduct breached. Additionally, an employee mental health and well-being programme was developed and introduced to the team. CER consistently aims to operate and engage with its staff and all its partners according to its values and standards.

The rules for risk management and control have been revised and updated in Q4 2024 and are currently being discussed by the board. This update includes the mitigation measures CER will take in case needed. The management and the board will revisit these regulations regularly and will meet with the external auditor annually.

Appointment of a member of the board is based 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 of CER takes on an advisory role in this process. In December 2024, a new board member was appointed, starting her function per 1 January 2025.

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

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

CER performs evaluation of its activities and their impact on a regular basis. The organisation has developed a monitoring, evaluation and learning protocol and aims to become more result and impact driven in the coming year.

## 2. Programmes and core-activities

### Programmes

CER coordinates and supports locally-led protection of heritage under threat. We promote inclusivity and accessibility by developing and strengthening decentralised infrastructures for cultural emergency response. We provide fast, flexible support to fit the needs of local actors in crisis situations and invest in the capacities of our partners through dialogue, training, and sharing expertise.

In 2024, CER developed a new, updated strategy and Theory of Change for the period 2025 - 2028 ensuring the continuation of emergency response actions via decentralised systems and strategic collaborations, with strengthening the operations and sustainability of the organisation as additional focus.

### Cultural Emergency Response

Through its emergency grant mechanism CER provides quick and flexible support to local partners in immediate response to disaster or conflict for the rescue, stabilisation, or evacuation of heritage under threat to prevent further damage. Applications for CER grants may be submitted at any time and are pro-actively scouted by the CER team.

In 2024, CER supported 31 emergency projects in twelve different countries. The projects were approved in consultation with at least three to five external experts all over the world. The diversity of gender, discipline, people, and geographies were taken into consideration to ensure a balanced selection and prioritise marginalised communities. Through these projects, CER was able to respond to several major crises of different types: conflict, extreme weather events, fire, and earthquakes. The projects focused on different types of heritage.

In addition to its regular emergency support mechanism, CER continued the support of heritage stewards and institutions through its Ukraine Action Plan throughout the year. Through this Action Plan, CER has been supporting the protection of cultural heritage under threat due to the ongoing war against Ukraine since March 2022. Funds have been allocated on a rolling basis upon urgency to facilitate quick critical actions. CER continued support through key local actors in the field. CER started a new project with the Mondriaan Fund to continue the development of mobile labs for the documentation and digitisation of at-risk heritage collections in the Lviv and Kyiv regions in partnership with HeMo and ACURE. CER also continued the collaboration with the World Monuments Fund (WMF) to protect and stabilise damaged built heritage buildings. Jointly, two large-scale stabilisation projects were supported. In 2024, CER also received confirmation of the Ministry of Foreign Affairs of the Kingdom of the Netherlands of an additional contribution of € 375,000 to continue the urgent support for the protection of cultural heritage in Ukraine in 2025.

CER also launched an Action Plan to support heritage stewards in Palestine in response to the escalation of aggression. CER activated its emergency mechanism to support first-aid interventions for affected cultural heritage by developing an action plan that placed the well-being and livelihood of cultural workers in Palestine at its core. The action plan had three lines of focus, all of which aimed to support locally developed and implemented projects on the ground. We are proud to have allocated € 212,426 towards eight projects within this action plan. This was made possible by the support of the Ministry of Foreign Affairs of the Netherlands, the Cultural Protection Fund -managed by the British Council in partnership with the Department for Digital, Culture, Media & Sport (DCMS) of the United Kingdom- and the Whiting Foundation.

CER's response mechanism relies on an active network of trusted partners in vulnerable regions around the world. This network allows it to monitor crisis situations on an ongoing basis and prepare to pro-actively respond in the event of disaster- or conflict-related threats to cultural heritage. In 2024, CER continued the professionalisation of this mechanism by revising its emergency workflows, protocols, research procedure, and expanding its scouting mechanism. Through active scouting and project research, CER has extended its network with at least 140 new experts.



### Network of Regional Hubs

Through its network of Regional Hubs CER is decentralising its activities to vulnerable regions around the world. In partnership with local heritage rescue organisations, it creates go-to centres for cultural emergency expertise and response. CER regional hubs ensure regional coordination, available expertise and means for faster, locally driven and tailored cultural emergency response. Hubs are part of a global network for exchange and support, mentoring, learning and sustainability opportunities. The goal is to make heritage protection more inclusive by collaborating with local and national actors in decision-making when it comes to the protection of their cultural heritage.

In 2024, CER proudly launched a new Regional Hub in the Black Sea Region, in partnership with the Agency for Cultural Resilience (ACURE), HeMo: Ukrainian Heritage Monitoring Lab, and Museum for Change. The establishment of the Hub in the Black Sea Region aims to give continuity to the partnerships and experience built up over the past years. The Hub focuses on all types of heritage that are under threat of damage and destruction in attacks targeting Ukrainian heritage and near heritage and cultural properties. The Hub was established with support of and in partnership with the Ministry of Foreign Affairs of the Netherlands.

In 2024, activities with the four existing Hubs in Central America, the Western Balkans, the Levant, and the Caribbean continued and are ongoing. All Hubs mobilised this year to respond urgently to cultural emergency situations, testing and forming the Hub model and the collaboration with CER in crisis situations. CER has been working closely with the Regional Hub in the Levant to mobilise emergency support for Lebanon during the escalation of violence this year. For the Hub in the Caribbean Region, the Cultuurfonds committed € 100,000 to CER to support the Hub in further developing its activities in the coming three years. Next to emergency response actions, the Hubs participated and coordinated training initiatives to strengthen the networks and capacity of first aiders and cultural heritage stewards in their respective regions. In May, CER also organised the second Annual Regional Hub meeting in The Hague, coinciding with conference commemorating the 70<sup>th</sup> anniversary of the 1954 Hague Convention. It brought together all coordinators of the Hubs, to jointly learn and work on the development of the CER Regional Hub programme. This year, CER invested significantly in the consolidation of the programme on a strategic and implementation level, in close collaboration with the Hub Coordinators.

### Training & Mentorship

As part of our commitment to supporting locally-led responses, CER collaborates with other cultural heritage emergency organisations to strengthen the necessary capacity and infrastructure required for effective intervention. Our approach is centred on empowering international heritage professionals with the skills and knowledge necessary to address cultural emergencies. In 2024, CER co-organised two courses: one in The Hague, Netherlands, and one in Pretoria, South Africa. These courses brought together 33 participants from 28 different countries.

From 22 to 27 September 2024, Cultural Emergency Response (CER) and the Smithsonian Cultural Rescue Initiative (SCRI) hosted the sixth edition of the Leadership for Cultural Heritage Stewards in Challenging Circumstances course in The Hague. This year, 13 participants from 12 countries - including India, Jordan, the United States, Bhutan, Senegal, the Philippines, Barbados, Vietnam, Trinidad and Tobago, Iraq, Ukraine, and Haiti - joined the programme.

From 11 to 15 November 2024, Cultural Emergency Response (CER), in collaboration with the National Library of South Africa (NLSA), the British Library's Endangered Archives Programme (EAP), the International Council on Archives (ICA), the University of Lesotho, and with support from the Whiting Foundation, organised the Regional Course for Emergency Response to Documentary Heritage in Pretoria, South Africa. This week-long training brought together 20 professionals from 16 countries across South and East Africa, including Botswana, Burundi, Eswatini, Ethiopia, Ghana, Kenya, Lesotho, Malawi, Mozambique, Namibia, Nigeria, Sierra Leone, South Africa, Uganda, Zambia, and Zimbabwe. Participants were selected from 128 applicants based on their expertise in documentary heritage care and their ability to implement and share the knowledge gained. The programme combined theoretical insights and practical frameworks to equip participants with effective strategies for safeguarding documentary heritage during crises.

### **Making the Case**

Through this programme CER invests in demonstrating the wide-ranging impact of heritage protection, raise awareness of its importance and campaign for its integration in humanitarian policies and relief efforts. To do so, we collaborate with other international heritage, academic and humanitarian organisations to develop initiatives to collect data that demonstrates the impact of heritage protection efforts. We also work closely with our partners on the ground to identify best practices, challenges, and solutions. We actively share knowledge and disseminate our findings through lobby, advocacy, and awareness campaigns.

This year, the objective was not only to highlight the urgency of CER's mission but also to explore the synergies between heritage protection and humanitarian aid. CER sees culture as a basic human need, one that plays a critical role in the recovery, resilience, and well-being of communities following crises. With these goals in mind, CER participated in 25 advocacy opportunities across 15 different countries in 2024.

This year marked the 70th anniversary of the 1954 Hague Convention, an occasion CER commemorated through various events and collaborations. CER played a pivotal role in the UNESCO International Conference Cultural Heritage and Peace as the only Dutch organisation dedicated to locally-led cultural protection. Later that week, we co-hosted the panel discussion *Documenting the Destruction of Heritage & Seeking Solutions* at The Hague Humanity Hub in partnership with the Smithsonian Cultural Rescue Initiative and Blue Shield International.

In March, CER participated in The European Fine Art Foundation (TEFAF) Maastricht's inaugural Summit, focused on safeguarding cultural heritage.

In addition to these events, CER contributed to an EU expert sub-group on safeguarding cultural heritage in Ukraine. We also co-organised a stakeholder meeting in Ukraine to generate attention with and for our CER Regional Hub in the Black Sea Region.

### **Core Activities**

2024 was the second full year of operations for CER since its establishment as an independent organisation in July 2022. The focus was on consolidating the organisation structures, strategies, and operational systems. The organisational and financial structure was refined, a new 4-year organisational strategy was developed, with a supporting fundraising strategy, and new partnerships and collaborations were set up. Throughout, the sourcing of funding and the continuation of funding collaborations was prioritised. In 2024, CER continued growing and professionalising as an organisation, increasing its efficiency and transparency. A key achievement in this regard was receiving the accreditation of the Centraal Bureau Fondsenwerving (CBF) in December.

In 2024, CER co-founded a new initiative dedicated to promoting international cultural cooperation in partnership with DutchCulture, the European Cultural Foundation, and the Prince Claus Fund. In early 2025, this consortium will relocate to a shared office space at the H'Art Museum complex in Amsterdam. By establishing this hub for international cultural collaboration, we aim to foster synergies, facilitate exchanges, and highlight the vital role of culture in contemporary society.

### Fundraising and Communications

With the further development of CER as a sustainable organisation in mind, the focus of **fundraising** was on the further development of the fundraising strategy, securing the continuation of collaborations and mapping and developing new funding opportunities.

CER successfully continued collaboration with trusted donors, such as the Whiting Foundation, the Smithsonian Cultural Rescue Initiative, ALIPH, TEFAF, the JM Kaplan Fund, and the Cultural Protection Fund of the British Council. In addition, CER received contributions from four new strategic partners: the Qatar National Library, Het Cultuurfonds, het Mondriaan Fonds, and the US Ambassadors Fund. Additionally, CER created and implemented its own mechanism for the development of formal fundraising proposals to other donor institutions.

In 2024, CER received confirmation of the new 4-year subsidy allocation of € 1,350,000 from the Ministry of Foreign Affairs of the Netherlands after a positive review of the submitted strategic plans. This is the first time CER has received a subsidy directly from the Ministry of Foreign Affairs. In addition, after being a key partner for the Dutch government in celebrating the 70<sup>th</sup> anniversary of the 1954 The Hague convention, an additional amount of € 375,000 that was not spent on the organisation of the conference was allocated to CER by the Ministry of Foreign Affairs, the Ministry of Defence, and the Ministry of Education, Culture, and Science to continue the work for heritage protection in Ukraine.

CER also continued to deepen its network and relationships with US based donors. In May 2024, a fundraising visit was organised for CER director Sanne Letschert, who was invited to participate in a fundraising course organised by Myriad USA in New York City. The director made use of the opportunity to develop relationships with multiple funding organisations and private individuals.

The fundraising effort focuses on collaborations with foundations and other organisations that are connected to the mission of CER, both in the Netherlands and abroad. Considering its recent establishment, CER is currently still developing relations with individual donors.

CER continued to coordinate the network of Grantmakers for Cultural Heritage Preservation (G-CHeP). In 2024, we caught up with the postponed convening of 2023 and organised a meeting for the network in February, in Erbil, Iraq. The 2024 convening was organised in December, in Amman, Jordan. On both occasions, an active connection with partners in the region was made.

The fundraising costs mainly consist of the organisation and execution of several events aimed at finding and keeping the different types of donations, including the events at TEFAF and in New York and the communication/fundraising campaigns.

2024 was also an important year for CER's **communication** efforts. CER continued developing its branding, website, newsletter, and social media channels. CER has a growing online engagement and reached 265.689 people online (LinkedIn, Facebook, and Instagram), and grew its follower community from 3.052 followers to 9.100 across all its platforms. CER sent six newsletters in 2024, shifting from a monthly to an every-other-month schedule, reaching 808 subscribers. In addition, CER prepared five and launched four communication and fundraising campaigns that went live for a total of 111 days and had a reach of 95.911. The campaigns resulted in a 39.02% increase in followers across Instagram and LinkedIn. CER also authored and published two Impact Stories on its website.

CER is currently further developing its own communication strategy, in which fundraising, awareness raising, crisis communications, and demonstrating impact are important focus points. CER also has an open and proper dialogue with all its other 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 CER's activities, CER 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 CER.

#### Quality of Organisation and activities

CER strives to maintain optimum quality in all its activities. It achieves this by continuous research, network building and involving good and independent advisors in its judgements and implementation, and by specially training staff members for these tasks. Quality and care are at the core of CER's work, and staff members, partners and donors are aware of this not only in terms of implementing projects and processing applications, but also in correspondence and communication.

### 3. Risk management

With the ambition of operating in a responsible, transparent, and reliable way, Cultural Emergency Response (CER) is committed to mitigate any risks related to finances and implementation to its best ability. The following policy includes a risk assessment, which is regularly reviewed by the CER board, as well as the mitigation measures CER is taking to avoid corruption and the misuse of funds.

The risk policy is related to:

- **Financial and reputational risks with respect to the allocation of grants, selection, and expenditure on projects.** The consequences of risk in this field are high; however, the chance of actual occurrence has been assessed as small. Measures taken are reflected by the governance structure and the internal control within the organisation. Additional mitigation is embedded in the contracting of partners and the heavy emphasis on research, monitoring and evaluation in the assessment and implementation of individual projects. Sufficient mitigation measures have been taken.
- **Risk related to financial management and administration of funds.** The consequences of risk in this field are limited; the chance of occurrence has been assessed as small. Measures taken are reflected by the governance structure and the internal control within the organisation. This includes the practice of the four eyes principle for all decisions on grant allocations and payments, with an additional check on board level for allocations above € 35,000. These procedures are to be formalised in the AO. The organisation works with an independent financial administration organisation and engages an external auditor for review and closing of the books. Sufficient mitigation measures have been taken.

- **Risks related to IT, digital services, and data protection.** The consequences of risks in this field are high; the chance of occurrence has been assessed as average. Measures taken are reflected using a Service Level Agreement applicable to the services delivered by an external IT supplier, with a special emphasis on data security. CER has an ongoing secured back-up licence to safely store its data. All devices and applications are password protected and require multi-step verification for access. Personal data is stored according to EU legislation for data protection. Sufficient mitigation measures have been taken.
- **Risks related to fundraising targets.** The consequences of risks in this field are great; the chance of occurrence has been assessed as average. 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, based on detailed fundraising scenarios. Sufficient mitigation measures have been taken.
- **Risks related to over expenditure on budgets.** The consequences of risks in this field are limited; the chance of occurrence has been assessed as small. Measures taken are related to the execution of a systematic budget control and the monitoring of the monthly planning and control cycle. Regular budget reviews are integrated on board, as well as staff level. Sufficient mitigation measures have been taken.

To mitigate risks in terms of funding allocations, CER has a strict policy in place to research potential projects and partners before approval. Besides in-depth desk research, applicants are interviewed by CER staff on the activities and feasibility of their projects. Additionally, applications are submitted to at least 3 to 5 external experts to give their opinion on the project activities, the reliability of the partner, the feasibility of the project and the requested amount. Negatively recommended projects are not recommended for support. In this process, the CER team also aims to develop a relationship of trust with the project partners to ensure quick support and transparent implementation of the project. Projects are being evaluated at least twice - once through a mid-term report, and once through a final report. Larger projects are monitored more frequently, with a monthly check-in for the most complex cases. Funding tranches are only released to partners on the ground when the assessment of these reports is positive. Through these procedures, which have been developed and tested over the past 20 years, CER feels it strongly minimises the risk of misuse of funds and inadequate implementation of grants.

This risk assessment was conducted and approved by the Board in March 2024. In Q4 of 2024 the reassessment of the risks of CER was started and the mitigation measures are currently being expanded and reviewed to consider the current political climate and prospects. The entire policy is currently being updated and will be finalised in Q1 of 2025.

#### 4. Policy and function reserves and funds

##### Continuity reserve

In the case of no or insufficient follow-up financing after the subsidy period, CER formed a continuity reserve. For a specific period (approximately four to six months) CER can deal with current affairs and fulfil the contractual obligations.

In 2024, based on the risk analysis, the CER board decided to aim for the maintenance of a minimum continuity reserve of 50% of the essential operational budget of CER for a year. The board considers it safe, reasonable, and justifiable for the current size, scope, and position of the organisation in the current political and funding landscape. The continuity reserve policy will be reevaluated annually, based on the changing needs and risks.

At the end of 2024, the continuity reserve is € 296,146. The budget for essential operational costs for CER in 2025 is € 661,590. The desired continuity reserve in line with the policy is € 330,795. This means the aim is to increase the continuity reserve in 2025 with circa € 34,649.

### Investment policy

CER is currently not investing the resources at its disposal, to avoid risks and speculation. CER's revenue is only deposited in current and savings accounts.

## 5. Fiscal affairs

### Public Benefit Institution (ANBI)

On 15 September 2023 notification was received from the Dutch Tax Authorities that CER has been classified as an ANBI and is registered as cultural institution as per 1 January 2023.

### VAT

As of 8 August 2022, CER is registered in the administration of the Tax Authorities as an entrepreneur who only performs services that are exempt from VAT.

### Corporate income tax

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

### Gift tax

The grants allocated by CER are exempt from gift tax.

### Administration

Jac's den Boer & Vink, a business economics consultancy firm for non-profit organisations, was appointed by CER to manage its administration and to draw up the financial statements of 2023. 'With Accountants' was appointed to audit the financial statements. The independent auditor's report on this audit is included on page 37.

### Income aspects

For the years 2022-2024, the Minister of Foreign Affairs has awarded through Prince Claus Fund a subsidy amount of € 600,000 a year, € 1,800,000 in total. This grant is un-earmarked and intended to stably establish CER as an independent organisation from 2022-2024. In a memorandum of understanding between Prince Claus Fund and CER, of which 2024 was the final year, the terms and conditions have been agreed upon supporting CER's transition to independence, as well as the relationship between the two organisations after CER has become formally independent. In addition, by letter of 8 December 2022 the Minister of Foreign Affairs changed the grant decision through a budget increase 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. Of this, € 412,240 was used in 2024, completing the expenditure on this government grant.



In addition to the subsidy amount, the Ministry of Foreign Affairs has awarded to CER directly an additional grant of € 725,000 for the protection of cultural heritage in Ukraine. Of this grant, € 681,857 was spent in 2024. The remainder of € 43,143 will be spent in Q1 of 2025.

Next to the support of the Dutch government, CER receives funding from several individual donors, organisations, and foundations. The total income of CER in 2024 is € 2,933,326. This is € 126,911 higher than budgeted. This is the result of additional investment in fundraising efforts and high success rate on grant applications for additional projects in Ukraine and the larger scale response to the crises in Palestine and Lebanon, for which additional funding was received from the Cultural Protection Fund of the British Council.

Regarding the income from private individuals, € 5,000 was included in the budget as target for 2024. However, as this was not the focus for fundraising efforts this year, this target was not met.

For all contributions that are part of strategic partnerships, such as the collaboration with the Whiting Foundation and the Qatar National Library, the budget includes the full contribution that was committed. The realisation of this income is only accounted for to the extend this funding has been spent in 2024. The budget for these activities is reserved for 2025.

#### Expenditure aspects

The total expenditure in 2024 is € 2,788,575. Expenditure for direct costs of programmes and projects was € 2,099,031, while indirect spending (personnel, housing, office and depreciation) was € 653,291. Fundraising expenses in 2024 are € 36,253.

Expenditure in 2024 is € 66,911 above budget. Of this amount, € 60,967 was spent on direct costs for programmes and projects. The remainder of € 5,944 was spent on indirect costs. This is in line with the additional funding that was raised for project and programme activities.

#### Balance of income and expenditure 2024, allocation of the balance

The positive balance of income and expenditure 2024 amounts to € 174,675.

The positive balance of income and expenditure is above budget. This is the result of successful fundraising efforts in 2024. The balance will be allocated to the continuity reserve (€ 149,675) and the restricted fund Maanwater Foundation (€ 25,000).

#### Financial ratios

According to the regulations of RJ650, the ratios are presented as part of the total expenses in three sections of the statement of income and expenditure: charitable activities, fundraising costs, and management and administration costs.

CER strives to keep to its policy for the desired ratios, informed by the guidelines offered by *Goede Doelen Nederland* and *Centraal Bureau Fondsenwerving* (CBF) to ensure transparency and comparability in the sector.

	<u>Realisation 2024</u>	<u>Budget 2024</u>	<u>Realisation 2023</u>
<u>Internal standard</u>			
1. Ratio of direct costs of programmes and projects divided by total expenditure <i>Preferably at least 70%</i>	75.3%	74.9%	80.7%
<u>General</u>			
2. Costs of fundraising divided by total income	5.4%	4.9%	3.0%
3. Share in expenditure			
- charitable activities <i>desired minimum ratio 85%</i>	88.9%	89.0%	93.8%
- fundraising costs <i>desired maximum ratio 15%</i>	5.7%	5.0%	2.9%
- management & administration costs <i>desired maximum ratio 5%</i>	5.4%	6.0%	3.3%
Total	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</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.

#### Ratio of direct costs of programmes and projects divided by total expenditure

CER continues to use the internal condition that of all spending, preferably 70% must be spent on direct contributions to programmes and projects. In 2024 this condition is being met with the result of 75.3%.

#### Share in expenditure: charitable activities

The total percentage spent on charitable activities is 88.9%. The benchmark of the sector in 2023 was 88%. In 2024, CER has operated in line with its desired ratio of a minimum of 85%

#### Share in expenditure: fundraising costs

In 2024, CER increased its gradually investing more staff time and additional resources in fundraising. This results in a ratio of 5.7%. With a maximum of 15% as a desired ratio, this is in line with our policy. CER strives towards a more intentional and focused investment in fundraising, growing its investment to 10% over the coming four years.

#### Share in expenditure: management and administration costs

CER has set the ratio for management and administration expenses at 5% of total expenditure. In 2024 this ratio is 5.4%.



## 6. Preview and budget 2025

In the budget of 2025, the lessons of the previous years are incorporated. Being the first year of the new strategic period 2025 - 2028, the focus is explicitly on the refined strategic priorities as well as consolidation of operations, activities, and fundraising. Working in a global changing funding landscape, the aim is to strengthen the organisation and work towards financial sustainability for the coming four years. With an increasing demand for the immediate support of CER in complex crisis situations, the aim is to focus on emergency mobilisation and maintaining the organisations flexibility and agility. In 2025, CER is working with a realistic fundraising target, but programme activities can be scaled down to mitigate the risks if this target is not being met. To realise the fundraising objectives, there is an increased budget for fundraising capacity, campaigns, and dedicated expenses. Most of the funding for 2025 is already secured, leaving space to prioritise fundraising and securing income for the coming years.

The summary of the budget 2025 adopted by the board can be shown as follows:

	x € 1,000
<u>Income</u>	
Income from private individuals	30.0
Income from government grants	675.0
Income from other non-profit organisations	<u>2,085.7</u>
Total income	<u>2,790.7</u>
<u>Expenditure</u>	
<i>Programme expenditure</i>	
Rapid Response	1,595.0
Decentralised Response Infrastructures	
- Network of CER Regional Hubs	433.5
- Local Network & Capacity	198.2
Collaborative Impact	68.3
CER Programme Implementation & Development	<u>209.9</u>
Total programme expenditure	2,504.9
Costs of generating funds	155.6
Management and administration	<u>140.2</u>
Total expenditure	<u>2,800.7</u>
Balance before financial income and expenses	-10.0
Financial income and expenses	<u>10.0</u>
Balance of income and expenditure	<u><u>0.0</u></u>
Allocation balance of income and expenditure	
- Continuity reserve	<u>0.0</u>
Total	<u><u>0.0</u></u>

Amsterdam, 24 March 2025

On behalf of the board of Cultural Emergency Response  
Bijan Rouhani, chair

## A. Balance sheet as at 31 December 2024

<u>Ref.</u>	<u>31-12-2024</u>	<u>31-12-2023</u>
	€	€
Fixed assets		
1. - Tangible fixed assets	<u>2,858</u>	<u>5,459</u>
Total fixed assets	<u>2,858</u>	<u>5,459</u>
Current assets		
2. - Receivables	315,185	434,240
3. - Cash and cash equivalents	<u>2,161,942</u>	<u>1,590,113</u>
Total current assets	<u>2,477,127</u>	<u>2,024,353</u>
<b>Total assets</b>	<b><u>2,479,985</u></b>	<b><u>2,029,812</u></b>
Reserves and funds		
4. <i>Reserves</i>		
- Continuity reserve	<u>296,146</u>	<u>146,471</u>
Total reserves	<u>296,146</u>	<u>146,471</u>
5. <i>Funds</i>		
- Restricted funds	<u>25,000</u>	<u>0</u>
Total funds	<u>25,000</u>	<u>0</u>
Total reserves and funds	<u>321,146</u>	<u>146,471</u>
6. <i>Accruals</i>		
- Long term project allotments	0	0
- Short term project allotments	949,650	515,366
- Other short term accruals	<u>1,209,189</u>	<u>1,367,975</u>
Total accruals	<u>2,158,839</u>	<u>1,883,341</u>
<b>Total liabilities</b>	<b><u>2,479,985</u></b>	<b><u>2,029,812</u></b>

## B. Statement of income and expenditure 2024

<u>Ref.</u>	<u>Realisation 2024</u>	<u>Budget 2024</u>	<u>Realisation 2023</u>
	€	€	€
<u>Income</u>			
7. Income from private individuals	418	5,000	2,869
8. Income from government grants	681,857	725,000	0
9. Income from other non-profit organisations	<u>2,251,051</u>	<u>2,076,415</u>	<u>2,571,108</u>
Total income	<u>2,933,326</u>	<u>2,806,415</u>	<u>2,573,977</u>
10. <u>Expenditure</u>			
Programme expenditure			
- Cultural Emergency Response Projects	1,502,144	1,362,783	1,739,911
- Network of Regional Hubs	600,826	667,678	333,181
- Training & Mentorship	144,466	159,945	136,866
- Making the Case	53,740	57,478	89,181
- CER Programme Expenses	187,205	172,478	151,880
Release	<u>-8,482</u>	<u>0</u>	<u>-27,370</u>
Total programme expenditure	2,479,899	2,420,362	2,423,649
Costs of generating funds	157,765	137,184	76,198
Management and administration	<u>150,911</u>	<u>164,118</u>	<u>84,664</u>
Total expenditure	<u>2,788,575</u>	<u>2,721,664</u>	<u>2,584,511</u>
Balance before financial income and expenses	144,751	84,751	-10,534
11. Financial income and expenses	<u>29,924</u>	<u>2,500</u>	<u>12,725</u>
<b>Balance of income and expenditure</b>	<b><u>174,675</u></b>	<b><u>87,251</u></b>	<b><u>2,191</u></b>
Allocation balance of income and expenditure			
- Continuity reserve	149,675	87,251	2,191
- Restricted fund Maanwater Foundation	<u>25,000</u>	<u>0</u>	<u>0</u>
Total	<u>174,675</u>	<u>87,251</u>	<u>2,191</u>

## C. Cash flow statement

	Realisation 2024	Realisation 2023
	€	€
<u>Cash flows from operating activities</u>		
Balance of income and expenditure	174,675	2,191
Depreciation	<u>2,601</u>	<u>2,345</u>
Subtotal	177,276	4,536
Changes in working capital		
- short term receivables	119,055	820,041
- accruals:		
• long term project allotments	0	0
• short term project allotments	434,284	-94,838
• other short term accruals	<u>-158,786</u>	<u>591,517</u>
Total cash flows from operating activities	571,829	1,321,256
<u>Cash flows from investing activities</u>		
Investments fixed assets	<u>0</u>	<u>-7,804</u>
<b>Net cash flow</b>	<b><u>571,829</u></b>	<b><u>1,313,452</u></b>
Cash and cash equivalents at beginning of year	1,590,113	276,661
Cash and cash equivalents at year end	<u>2,161,942</u>	<u>1,590,113</u>
<b>Changes in cash and cash equivalents</b>	<b><u>571,829</u></b>	<b><u>1,313,452</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 increased by € 571,829 in 2024.

## 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 CER 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.

### 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 CER.

Transactions denominated in foreign currencies conducted during the reporting period are recognised in the annual accounts at the rate of exchange on the transaction date. Any resulting exchange differences are recognised through income and expenditure.

Amounts denominated in foreign currency have been converted into euro using the exchange rate valid on the transaction date. Exchange differences are accounted for in the statement of income and expenditure, unless a different rate is mentioned.

### Going concern

The accounting policies within the financial statements are based on the assumption that CER will be able to continue as a going concern.

### 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*

CER 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 applied depreciation percentage for automation is 33.33%.

*Receivables*

Receivables are valued at the first processing at the fair value, in the subsequent valuation at amortised 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.

*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 amortised 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 amortised cost. Short term debts have a term of less than one year.

*Project allotments*

Obligations entered into by CER in the context of a project 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 CER and made known to the beneficiary.

*Employee pension plan*

The pension scheme is administered by Pensioenfonds Zorg en Welzijn (PFZW). In the event of a deficit at the pension fund, CER 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 recognised as personnel expenses when due. Prepaid premiums are recognised as accrued assets if this results in a refund or a reduction in future payments. Premiums not yet paid are recognised as a liability on the balance sheet. As at the balance sheet date, the fund has a policy funding ratio of 109.5% (2023: 112.0%).

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 CER 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.

Income recognition includes agreed upon coverage for indirect expenditure. A 15% flat rate is withheld from multiple recognised grants, if agreed so. As far as this flat rate is not needed for coverage of indirect expenditure in the financial year, it is donated into the continuity reserve.

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

*Income from other/affiliated non-profit organisations*

Income from other/affiliated non-profit organisations that have a repayment obligation if the income is not spent in accordance with the project conditions, are accounted for in the amount of the obligation to spend or costs incurred in accordance with the project conditions. Income from other/affiliated non-profit organisations with no repayment obligation is recognised in the year of allocation.

*Pooled funding*

In case of pooled funding by like-minded grant-making organisations in order to be able to jointly respond to a major crisis, if CER contributes to this pooled fund as well, the CER contribution will be used first.

*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). CER 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 recognised 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 2024 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 CER 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: 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 CER 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.

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

	<u>Automation</u>
<u>Fixed assets</u>	€
1. - Tangible fixed assets	
Balance January 1st 2024	5,459
Investments 2024	0
Depreciation 2024	<u>-2,601</u>
Balance December 31st 2024	<u><u>2,858</u></u>
Purchase value	7,804
Cumulative depreciation	<u>-2,345</u>
Balance January 1st 2024	<u><u>5,459</u></u>
Purchase value	7,804
Cumulative depreciation	<u>-4,946</u>
Balance December 31st 2024	<u><u>2,858</u></u>

The tangible fixed assets are being used for business operations.

	<u>31-12-2024</u>	<u>31-12-2023</u>
	€	€
<u>Current assets</u>		
2. - Receivables		
Smithsonian	202,061	93,752
Mondriaan Fonds	35,000	0
ALIPH pilot	28,821	99,529
US Ambassadors Fund	11,011	0
TEFAF	10,000	0
Qatar National Library	9,400	0
Prince Claus Fund	0	15,478
ICOM	0	10,000
British Council Yemen	0	203,333
Other receivables:		
- Guarantee deposits	8,204	8,204
- Advance payment office costs	3,115	596
- Other receivables	<u>7,573</u>	<u>3,348</u>
Total receivables	<u><u>315,185</u></u>	<u><u>434,240</u></u>

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

3. - Cash and cash equivalents		
Savings account	1,972,832	1,147,137
Current account	188,780	442,976
Cash	<u>330</u>	<u>0</u>
Total cash and cash equivalents	<u><u>2,161,942</u></u>	<u><u>1,590,113</u></u>

The cash and cash equivalents can be withdrawn upon demand.

	<u>31-12-2024</u>	<u>31-12-2023</u>
	€	€
<u>Reserves and funds</u>		
4. <i>Reserves</i>		
- Continuity reserve		
Balance 1 January	146,471	144,280
Allocation balance of income and expenditure	<u>149,675</u>	<u>2,191</u>
Balance 31 December	<u><u>296,146</u></u>	<u><u>146,471</u></u>

In the case of no or insufficient follow-up financing after the subsidy period, CER formed a continuity reserve. For a specific period (approximately four to six months) CER can deal with current affairs and fulfill the contractual obligations.

In 2024, based on the risk analysis, the CER board decided to aim for the maintenance of a minimum continuity reserve of 50% of the essential operational budget of CER for a year. The board considers it safe, reasonable, and justifiable for the current size, scope, and position of the organisation in the current political and funding landscape. The continuity reserve policy will be reevaluated annually, based on the changing needs and risks.

5. <i>Funds</i>		
- Restricted fund Maanwater Foundation		
Balance 1 January	0	0
Allocation balance of income and expenditure	<u>25,000</u>	<u>0</u>
Balance 31 December	<u><u>25,000</u></u>	<u><u>0</u></u>

In 2024, CER received a donation of € 25,000. This donation is earmarked for core support and enhancement of participation in the regional training. This restricted fund will be used for expenditure in 2025.

6. <u>Accruals</u>		
- Project allotments		
Long term project allotments	0	0
Short term project allotments	<u>949,650</u>	<u>515,366</u>
Total project allotments	<u><u>949,650</u></u>	<u><u>515,366</u></u>

	<u>31-12-2024</u>	<u>31-12-2023</u>
	€	€
<i>Mutations in financial year</i>		
Balance 1 January	515,366	610,204
Allocation in financial year	1,846,983	1,824,235
Paid in financial year	-1,404,217	-1,891,703
Release in financial year	<u>-8,482</u>	<u>-27,370</u>
Balance 31 December	<u>949,650</u>	<u>515,366</u>

As of 31 December 2024, the short term and long term project allotments amount to a total of € 949,650. 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.

- Other short term accruals

Grants received in advance:

• Foreign Affairs 2024 - Ukraine	6,893	688,750
• Foreign Affairs 2025 - Ukraine	375,000	0
• Foreign Affairs 2025 - General	100,000	0
• Whiting Foundation	287,866	274,081
• Mondriaan Fonds	180,000	0
• Het Cultuurfonds	95,667	0
• British Council 2024	49,421	91,261
• Ukraine Pooled Fund	34,036	29,231
• G-Chep Network Dues	14,050	21,773
• Syria / Turkey Pooled Fund	0	4,851
• PCF (Foreign Affairs) - extra grant	0	182,240
• PCF (Foreign Affairs) - Ukraine	0	30,444
Creditors and payables	44,412	25,850
Salary taxes	13,389	9,045
Pension premiums	4,488	4,148
Balance leave hours	3,967	3,823
VAT	<u>0</u>	<u>2,478</u>
Total other short term accruals	<u>1,209,189</u>	<u>1,367,975</u>

## RIGHTS AND COMMITMENTS NOT APPEARING IN THE BALANCE SHEET

### International Cultural Housing Foundation

On 29 July 2024, Cultural Emergency Response (CER), together with three other cultural organisations, established the International Cultural Housing Foundation. The purpose of this foundation is to provide joint accommodation. In that context, this foundation has entered into a rental agreement for the Neerlandia building, located at Nieuwe Herengracht 14 in Amsterdam, the Netherlands. This building is being renovated, with it being agreed that the renovation costs will be paid by the founders. CER's share in the renovation costs totals € 41,600. Of this, € 29,000 has been paid in 2024. The remaining amount will be paid in 2025. CER is making use of the new office space as per 1 February 2025. In 2025 the annual rental costs will be € 30,900.

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

	Realisation 2024	Budget 2024	Realisation 2023
	€	€	€
INCOME			
7. <u>Income from private individuals</u>			
Donations and contributions	418	5,000	2,869
Total income from private individuals	<u>418</u>	<u>5,000</u>	<u>2,869</u>
8. <u>Income from government grants</u>			
Ukraine additional contribution	681,857	725,000	0
Total income from government grants	<u>681,857</u>	<u>725,000</u>	<u>0</u>
9. <u>Income from other non-profit organisations</u>			
Prince Claus Fund	600,000	600,000	830,000
Ministry of Foreign Affairs NL - via Prince Claus Fund	412,240	412,240	218,760
Whiting Foundation	262,098	271,000	136,936
Qatar National Library	30,725	60,000	0
Smithsonian	319,187	120,000	133,320
Cultural Protection Fund	127,919	180,000	0
Het Cultuurfonds	4,333	0	0
ALIPH pilot Collaboration 2020-2021	0	20,000	0
<i>Ukraine</i>			
- Ministry of Foreign Affairs NL	30,444	30,444	88,478
- Mondriaan Fonds	355,000	0	0
- Pooled Fund	-4,805	29,231	205,604
- US Ambassadors Fund	11,011	0	0
Syria - Türkiye Action Plan	4,851	0	222,739
G-CHeP Network Dues	38,971	28,500	19,417
Maanwater Foundation	25,000	0	0
ICOM Netherlands	10,000	10,000	10,000
TEFAF	10,000	10,000	10,000
Cultural Protection Fund - Yemen	10,377	0	695,854
Donations and contributions	3,700	5,000	0
Other funding	0	300,000	0
Total income from other non-profit organisations	<u>2,251,051</u>	<u>2,076,415</u>	<u>2,571,108</u>

## 10. Explanation of the expenditure 2024 - Overview of division of expenditures 2024

	Programme expenditure										
	Cultural Emergency Response Projects	Network of Regional Hubs	Training & Mentorship	Making the Case	CER Programme Expenses	Release	Generating funds	Management and admini- stration	Total realisation 2024	Budget 2024	Realisation 2023
	€	€	€	€	€	€	€	€	€	€	€
<u>Expenditure</u>											
Direct costs of programmes and projects:											
- Direct project contributions	1,385,858	461,125	0	0	0	-8,482			1,838,501		1,796,865
- Other direct project costs *	15,683	55,425	64,111	9,316	115,995	0			260,530		289,624
Subtotal	1,401,541	516,550	64,111	9,316	115,995	-8,482	0	0	2,099,031	2,038,064	2,086,489
Fundraising	0	0	0	0	0	0	36,253	0	36,253	40,000	0
Personnel	78,092	65,416	62,373	34,483	55,274	0	94,320	117,140	507,098	536,600	395,151
Housing	9,160	7,674	7,317	4,045	6,484	0	11,064	13,741	59,485	36,000	13,024
Office	12,952	10,850	10,345	5,719	9,168	0	15,644	19,429	84,107	68,400	87,502
Depreciation	399	336	320	177	284	0	484	601	2,601	2,600	2,345
Subtotal	100,603	84,276	80,355	44,424	71,210	0	157,765	150,911	689,544	683,600	498,022
Total	1,502,144	600,826	144,466	53,740	187,205	-8,482	157,765	150,911	2,788,575	2,721,664	2,584,511

\* Including outsourcing.

See page 23 for an explanation of the method used for the division of costs.



## Continuation explanation of the expenditure

	Realisation 2024	Budget 2024	Realisation 2023
	€	€	€
<u>Programme expenditure</u>			
- Cultural Emergency Response Projects			
• Emergency Response Projects	272,054	342,000	253,549
• First Aid to Documentary heritage	222,784	230,350	116,757
• Qatar National Library	26,117	51,000	0
• ALIPH Collaboration 2020 - 2021	0	20,000	0
• Ukraine Action Plan	870,890	360,814	319,350
• Cultural Protection Fund - Yemen	9,696	0	697,834
• Rapid Response Action Plan	0 *	255,000	0
• Syria - Türkiye Action Plan	0	0	242,359
- Network of Regional Hubs	516,550	575,000	259,474
- Training & Mentorship	64,111	84,000	73,617
- Making the Case	9,316	15,000	49,339
- CER Programme Expenses	115,995	104,900	101,580
Subtotal	2,107,513	2,038,064	2,113,859
Release	-8,482	0	-27,370
Total programme expenditure	<u>2,099,031</u>	<u>2,038,064</u>	<u>2,086,489</u>

\* Realisation is presented under Emergency Response Projects and Ukraine Action Plan.

Fundraising

Fundraising	15,925	20,000	
External consultants	20,328	20,000	
Total fundraising	<u>36,253</u>	<u>40,000</u>	<u>0</u>

	Realisation 2024	Budget 2024	Realisation 2023
	€	€	€
<u>Personnel</u>			
- Salaries			
Gross salary	310,790		278,498
Social security	55,982		51,108
Pension costs	35,903		32,918
Interns	6,181		3,694
Total salaries	408,856	398,000	366,218
- Other personnel costs			
Travel	10,892	12,600	10,572
External hiring	69,816	68,000	17,183
Executive Assistant Consultant	2,471	14,000	0
Consultant Coordinator Ukraine	0	35,000	0
Training & coaching	7,060	5,500	0
Other personnel costs	8,003	3,500	1,178
Total other personnel costs	98,242	138,600	28,933
Total personnel	507,098	536,600	395,151
<i>Average FTE of staff on the payroll</i>	5.89	5.89	5.64

The average personnel costs per full-time appointment amounted to € 86,095 in 2024.

*Remuneration of the Director*

Name	Sanne Letschert	
Position	Director	
Employment	Fixed Term Contract	
	<u>2024</u>	<u>2023</u>
Hours	36.0	36.0
Part-time percentage	100.0	100.0
Time Period	1/1-31/12	1/7-31/12
<u>Annual income</u>		
Gross salary	€ 70,332	€ 65,700
Vacation allowance	€ 5,627	€ 5,256
Total annual income	€ 75,959	€ 70,956
Taxable allowances/additions	€ -	€ -
Remuneration plus taxable expense allowances	€ -	€ -
Remuneration payable in the future (employer's pension contribution)	€ 10,507	€ 9,825
Total remuneration	<u>€ 86,466</u>	<u>€ 80,781</u>

	<u>Realisation 2024</u>	<u>Budget 2024</u>	<u>Realisation 2023</u>
	€	€	€
<u>Housing</u>			
Rent & Services	29,015	34,000	13,024
Moving costs	1,470	2,000	0
Share in renovation costs	<u>29,000</u>	<u>0</u>	<u>0</u>
Total housing	<u>59,485</u>	<u>36,000</u>	<u>13,024</u>

	Realisation 2024	Budget 2024	Realisation 2023
	€	€	€
<u>Office</u>			
Board	1,642	1,000	786
Financial administration	29,796	20,000	35,677
Audit costs	17,303	16,000	19,361
Insurance	2,826	3,400	1,864
Bank charges	5,267	5,000	3,942
Legal costs	0	0	1,530
ICT & Telecom	23,440	18,000	20,859
Representation	902	1,000	793
Subscriptions	2,613	2,000	1,340
Other / miscellaneous	318	2,000	1,350
Total office	<u>84,107</u>	<u>68,400</u>	<u>87,502</u>

Depreciation

Automation	<u>2,601</u>	<u>2,600</u>	<u>2,345</u>
Total depreciation	<u>2,601</u>	<u>2,600</u>	<u>2,345</u>

11. Financial income and expenses

Exchange rate result	-5,089		-7,634
Interest (income)	<u>-24,835</u>		<u>-5,091</u>
Total financial income and expenses	<u>-29,924</u>	<u>-2,500</u>	<u>-12,725</u>

## G. Key figures

	<u>Realisation 2024</u>	<u>Budget 2024</u>	<u>Realisation 2023</u>
<u>Internal standard</u>			
1. Ratio of direct costs of programmes and projects divided by total expenditure <i>Preferably at least 70%</i>	75.3%	74.9%	80.7%
<u>General</u>			
2. Costs of fundraising divided by total income	5.4%	4.9%	3.0%
3. Share in expenditure			
- charitable activities <i>desired minimum ratio 85%</i>	88.9%	89.0%	93.8%
- fundraising costs <i>desired maximum ratio 15%</i>	5.7%	5.0%	2.9%
- management & administration costs <i>desired maximum ratio 5%</i>	5.4%	6.0%	3.3%
Total	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

## Other information

### Appropriation of balance

The positive balance of income and expenses of € 174,675 has been accounted for in accordance with the representation on page 18 of the Financial statements 2024.

## 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 Cultural Emergency Response

### Report on the audit of the financial statements 2024 included in the annual report

#### ***Our opinion***

We have audited the financial statements 2024 of Stichting Cultural Emergency Response based in Amsterdam.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Stichting Cultural Emergency Response as at 31 December 2024 and of its result for 2024 in accordance with the Guideline for annual reporting 650 'Fondsenwervende organisaties' of the Dutch Accounting Standards Board.

The financial statements comprise:

1. the balance sheet as at 31 December 2024;
2. the statement of income and expenditure for 2024; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

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

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

We are independent of Stichting Cultural Emergency Response 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.

### 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 other information, including the management report 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. 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, 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.

Slidrecht, 27 March 2025

WITh Accountants B.V.

A.M. Tromp MSc RA