

## Financial Statements - extended financial year 01.10.2017-31.12.2018

## Balance sheet as of 31.12.2019

<b>Assets</b>	
- Equipment	€ 2,710
- Receivables	€ 60,215
- Cash & cash equivalents	€ 1,262,376
<b>Total Assets</b>	<b>€ 1,325,301</b>

  

<b>Liabilities</b>	
- Accounts payable	€ 2,384
- Other current liabilities	€ 1,292,637
- Other accruals and deferred income	€ 30,280
<b>Total Liabilities</b>	<b>€ 1,325,301</b>

## Statement of Income and Expenditure

<b>Income</b>	Actual 2017-18	Budget 2017-18
Income from other non-for-profit organisations	€ 460,000	€ 1,067,795
<b>TOTAL Income</b>	<b>€ 460,000</b>	<b>€ 1,067,795</b>
<b>Expenses</b>		
Direct external project costs	€ 168,926	€ 641,400
Operating expenses	€ 324,748	€ 375,508
<b>TOTAL expenses</b>	<b>€ 493,674</b>	<b>€ 1,016,948</b>
<b>Balance before financial income/expenses</b>	<b>€ -33,674</b>	<b>€ 50,847</b>
Contingency		€-50,847
Financial income/expense	€ 33,674	
<b>Balance of income and expenses</b>	<b>€ 0</b>	<b>€ 0</b>

## Notes to the Financial Statements

### *Introduction*

The Digital Freedom Fund was established in September 2017 to respond to the need to strengthen the digital rights litigation field in order to increase the impact of both litigation and advocacy efforts in this area. It does so by building a stronger and more coordinated field of digital rights litigators that are better equipped to win strategic digital rights cases.

DFF's activities are focused in two pillars: litigation support and field building. The first pillar deals with litigation support and has a focus on providing practical assistance, which can take both a financial (grants) and substantive (assistance in finding pro-bono partners) form. Litigation support enables DFF's partners to strengthen their litigation work and increases the likelihood of their cases having a positive impact on digital rights. The second pillar consists of DFF's field building activities. These activities allow DFF's partners to strengthen their skills, increase information sharing to improve collaboration, and align their strategies on digital rights in Europe.

### *Achievement of objectives*

DFF was formally founded on 1 September 2017 and commenced operations in October 2017. Its public launch was in January 2018, at the Computers, Privacy and Data Protection (CPDP) conference in Brussels. In its first fifteen months of operations, DFF carried out all foreseen activities for this timeframe, including establishing a governance structure and a Group of Friends, development of core internal process and procedures, recruitment of staff and launch of the grants programme.

Externally, DFF began by carrying out a rigorous strategy process to maximise the impact of its support to the field. One of the primary objectives of the strategy process was to set funding priorities in response to what the field indicated its needs were, instead of deciding for the field what its priorities should be. Additionally, DFF's first annual strategy meeting was organised in February 2018, which brought together field participants who gave DFF a strong mandate for its work. Among other activities, two litigation retreats were held to allow participants to practically work on strategies for their cases. Please visit [our blog](#) for the latest updates on DFF's activities.

### *Financial result & financial policy*

During the pilot period, DFF is supported principally by three core funders: Open Society Foundations, Luminate (formerly Omidyar Network) and the Adessium Foundation. DFF operates with an annual budget of approximately EUR 1,000,000. A three-year initial budget was drafted before beginning DFF activities in October 2017. DFF stayed within its budget guidelines in its first 15 months of operation. DFF monitors spending against budget and other financial indicators (e.g. foreign currency holdings, liquidity position) and presents the result to its Board during quarterly Board meetings. A budgeting exercise is carried out each year in the last quarter of the year. The budget exercise includes a cost analysis of the previous period and provides the basis for more precise cost estimation. More precise estimate of operational costs in particular is a priority for financial management to ensure DFF maintains a satisfactory operational efficiency ratio.

Currently, DFF works with a small group of core and other donors. The funds received from these donors are destined for specific activities to be carried out which are previously agreed with the donor. The use of these funds is reported in detail to these donors. Thus far in the pilot phase, no income was earned or profit generated, leaving the result for the period at zero.

### *Social aspects*

As a non-for-profit human rights organisation, DFF is an organisation strongly grounded in social responsibility. With no profit motive, DFF is focused on protecting all of our digital rights in the European region. DFF strives to put social concerns first in all its activities and to ensure that all its work is ethically grounded.

DFF also takes care of its employees by being an employer of choice by providing competitive salaries and additional social benefits, such as voluntary private pension contributions and other allowances.