

Digital Freedom Fund  
Nieuwezijds Voorburgwal 104  
1012 SG Amsterdam  
Dutch Chamber of Commerce number 69525749  
RSIN number 857905922

## 2021 ANNUAL REPORT

### REPORT

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On the 2021 financial statements

Stichting Digital Freedom Fund  
Amsterdam

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## 2021 ANNUAL REPORT

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1. MANAGEMENT REPORT/DIRECTORS' REPORT

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## 1.1                    General

### 1.1.1 Introduction

As online and offline spaces converge, threats against freedom of expression, privacy, and other fundamental rights extend more and more into the digital space. Recognising this growing threat to human rights in digital spaces, the Digital Freedom Fund (DFF) was set up in 2017 to facilitate a stronger and more sustainable field of digital rights litigators and advocates, which in turn will lead to more strategic digital rights cases brought that have potential for positive impact. DFF carries out its mission by providing financial support for digital rights cases and capacity building through its field building activities.

DFF is particularly focused on ensuring that the digital rights of *everyone* in our society are protected. There is a clear underrepresentation - if not total absence - in the digital rights field of a number of constituencies, and an intersectional approach to digital rights issues is lacking. This is an alarming situation: the digital rights field cannot properly serve its “watchdog” function of protecting human rights for all in online and networked spaces if its composition, structures and methods of working have blind spots and major knowledge gaps.

The need to actively consider marginalised groups in digital rights work is underscored by growing evidence that the use of digital technologies has the potential not only to reproduce but also to amplify existing forms of oppression, such as racism, sexism, ableism, xenophobia, homophobia, and transphobia. As long as those who experience the sharpest threats to their digital rights are not part of the debate, these rights will not be adequately protected, both as a result of the omission of certain topics and flaws in the current approach of the field to pervasive issues, threats and injustices. Given the speed at which technological developments are taking place, this must change urgently. To address these needs, DFF has taken major steps in 2021 to further integrated racial, social and economic justice initiatives into its main work streams and critically self-reflect on its approach to its work. Going forward, a focus on racial, social and economic justice will be a permanent part of DFF’s organisational strategy.

## 1.2                    Achievement of objectives

After successfully completing its three-year pilot phase in 2020, DFF entered full-fledged operations in 2021. The DFF team grew considerably in 2021 from three to five FTE, adding capacity both in programme and operational support. The revised grantmaking process was successfully implemented, and the 2021 grantmaking budget was fully committed to support strategic litigation and pre-litigation research. Field building efforts were scaled up with the launch of Decolonising the Digital Rights Field - Phase II process and the Digital Rights for All Programme.

The COVID-19 pandemic continued to influence activities and produce new challenges in 2021. Events continued to be held online and the DFF team worked nearly 100% remotely with work in the office on a solely voluntary basis. None the less, the challenges presented by the COVID-19 pandemic were

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largely overcome or even turned into opportunities. Online formats were used to provide more flexibility and reach more participants. Meanwhile, the lessons learned from the COVID-19 Litigation Fund were incorporated into DFF's new grantmaking model launched in 2021. Overall, DFF persevered and overcame these challenges to have another highly successful year in 2021.

### 1.2.1 Coordination and field building

2021 continued to be a year of challenges and opportunities due to the ongoing COVID-19 pandemic. Social distancing requirements meant that DFF held its strategy meeting and all other events virtually. However, the savings made by using the relatively cheaper virtual format allowed DFF to take a more flexible approach to allocating field building budgets to a greater variety of activities. Programme staff used this flexibility to add several online engagements to their two original planned meetings, the litigation retreat and the communications workshop. In addition, DFF was able to organise a speakers' series consisting of six webinars on the Digital Welfare State and a pilot workshop on understanding technology. The team was also able to facilitate other means of support that are likely to be of enduring utility to the field, including a strategic litigation toolkit, guidance on building a communications strategy around strategic litigation cases as well as several videos and podcasts on topical issues.

DFF's fourth annual strategy meeting in February again included sessions on a variety of current digital rights issues as well as skill- and capacity-building sessions. Holding the meeting online made it more accessible to participants from more organisations from a larger geography. Of the 63 organisations represented at the 2021 strategy meeting 30 had never attended a DFF strategy meeting before. Similarly, the litigation retreat in the first half of 2021 was attended by 12 participants from different geographic backgrounds including otherwise hard to reach countries like Belarus and Ukraine. Of those participants, five were lawyers already working on DFF-supported cases while two participants have since been offered a DFF grant for the cases they workshopped at the retreat. This highlights the close link between field building and grant making activities.

The virtual format also allowed access to a bigger pool of trainers, speakers and moderators for events. For example, sessions that formed part of the communications workshop were delivered by communications experts based in Australia, Germany, the UK and the US, while the speakers' series on the Digital Welfare State included speakers and moderators from India, South Africa, and the US as well as seven European countries. Likewise, the "Understanding Tech" pilot workshop in December was able to engage a US-based technologist with the requisite expertise for a reasonable fee, something that might have been considerably more challenging for an offline event.

DFF roughly doubled its field building efforts in 2021 with the Decolonising the Digital Rights Field - Phase II and Digital Rights for All initiatives which will from now on form a permanent, important part of DFF's activities. After completing phase I of the decolonising planning process at the beginning of the year, DFF successfully fundraised to continue the initiative into phase II. Developing a meaningful decolonising process is a project that will need to take place in stages, allowing for a proper centring of the communities that are currently not part of the digital rights field to allow for meaningful participation. Phase II is a collaborative process to design a multi-year programme putting the first steps towards decolonising the digital rights field in Europe. Phase II engages both an advisory board

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and experts from a wide range of digital, racial, social and economic justice organisations called “core participants”. The core participants began collaboration within five working groups and two plenary meetings in 2021 that will continue into 2022. A major task in 2022 while wrapping up phase II will be fundraising for the envisioned phase III programme.

DFF also kicked off the Digital Rights for All initiative in 2021. The Digital Rights for All initiative aims to focus on the needs of racial, social and economic justice organisations to successfully expand their work into the digital context. The goal of this initiative is to develop increased capacity in these organisations to effectively engage with their priorities in the digital context primarily through workshops and other activities. After completion of the initial consultations, the workshop series was launched with four sessions in 2021 with several more to follow in 2022. Originally conceived as an 18-month programme, successful fundraising from three additional funders has led to an expanded and extended 24 months programme to run through December 2022.

### **1.2.2 Litigation Support - Grantmaking and pro bono legal support**

DFF had another successful year of grantmaking in 2021. In March, DFF started using an updated grantmaking process, accepting applications through a call for applications rather than on a rolling basis, and using a new online grant platform. Building on lessons learned from the COVID-19 Litigation Fund in 2020, DFF also began offering litigation track support as the standard grant type for litigation support. Litigation track support is done in the form of a framework agreement that commits to supporting litigation with the view of supporting it through to the final instance. By offering to support litigation from first to final instance, litigation track support is more closely aligned with DFF’s capacity building, which encourages litigators to plan long-term, collaborative, and strategic projects to maximise the potential for impact. DFF’s previous grantmaking model had already resulted in many successes but providing long-term litigation support across all possible court instances further boosts litigators’ ability to plan and coordinate strategically.

Using the new process, DFF ran two calls for applications in 2021, approving 16 framework agreements worth EUR 612,657 in total. Of the 16 grants, 12 are for litigation track support, and provide funding for up to 35 instances of litigation. EUR 459,794 of this was contracted in 2021 for current instances. The funds for future instances are placed in the Litigation Track Support Reserve in accordance with DFF’s Litigation Track Support Reserve and Grant Financial Management Policy and Procedure.

DFF passed two notable grant milestones in 2021, passing 50 grants made and passing the EUR 2 million threshold for commitment of funding for digital rights litigation and research since launching its grant process in mid-2018. In 2021, there was an overall increase in the total number of grants from 44 to 60. As of January 2022, 21 DFF-supported projects had been completed, eight of which were completed in 2021.

The new call for applications process was popular. DFF received 50 applications in 2021, compared to the previous high of 29 applications in 2019. Furthermore, 25 organisations or individuals applied for a DFF grant for the first time, and 10 of the 16 grant recipients received a DFF grant for the first time. Although DFF approved 16 grant applications in 2021, another 12 applications also met DFF’s mandate

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and could have been approved if DFF had more funding available, showing that there is high demand for digital rights litigation funding. Compared to the previous method of accepting applications on a rolling basis, the new call process also helps ensure DFF is supporting those applications that most closely align with its mandate and with the highest chance of achieving impact to benefit the wider digital rights field.

The biggest victory for a DFF-supported case in 2021 was led by the ePaństwo Foundation in Poland. In July, the Supreme Court ruled that the Minister of Justice must provide access to the details of an algorithm used to randomly allocate judges to cases. The success of this case has helped to convince the Polish Ministry of Digital Affairs to impose an obligation for public bodies to assess risks before implementing artificial intelligence in automated decision making.

Another important decision came in November, when the UK Upper Tribunal refused Open Rights Group's request that their complaint concerning illegal data processing in the adtech sector be re-opened by the Information Commissioner's Office. Despite this, Open Rights Group won key concessions and admissions which will help shape the future accountability of the Information Commissioner's Office. The ongoing litigation, and related campaigning have also achieved the wider goal of starting an industry-wide investigation into the adtech industry, with the Information Commissioner's Office highlighting widespread illegality and beginning to investigate adtech firms.

Worker Info Exchange completed pre-litigation research related to the personal data access rights of drivers for Uber and other ride-sharing platforms in the gig economy. They clarified the best routes for litigation, informed technical and legal procedures and defined a litigation strategy for filing complaints to courts and Data Protection Authorities. The research has also already informed a number of ongoing cases, including one case seeking transparency from Uber about its data processing and automated decision-making, and another challenging Uber's use of facial recognition technology. DFF regularly updates a new case study page it launched in June 2021 to better highlight the important digital rights work of its grantees.

### **1.3 Financial policy and financial results**

DFF budgets according to the budgeting guideline. The budgeting guideline has one main principle: activity ratios shall remain proportional between grantmaking, field building and operating costs while delivering on DFF's strategic plan. To effectively plan in parallel to fundraising, activities in the budget are prioritised based on the availability of confirmed funding at the time of budgeting. This leads to the activity either being classified as "funded" or "tentative".

Grantmaking takes a high priority in the "funded" activities since the opportunities to raise ad hoc funding for grantmaking is very limited whereas field building activities are much more compatible with funders' offerings for project grants. Thus the commitment of secured core funding to grantmaking grew from EUR 550,000 in 2020 to EUR 600,000 in 2021. The secured grantmaking budget is set to expand further to approximately EUR 700,000 in 2022 to accommodate ever increasing demand for grants. Altogether, the 2021 budget before financial losses/gains and excluding tentative

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activities was EUR 1.52 million. The total budget came to EUR 1.86 million when tentative activities were considered.

Total organisational spending including financial losses was EUR 1.36 million in 2021 (2020: EUR 1.65 million). 2020 was an exceptional financial year because of the COVID-19 emergency response. As the 2021 budget figure indicates, the COVID-19 Litigation Fund was a one-off grantmaking project not set to repeat in 2021. Therefore, 2021 spending was expected to decrease in 2021 albeit spending was distributed differently between areas of activity. Performance against 2021 targets is considered strong with all major goals achieved. Spending is less than the budget excluding tentative activities, largely due to two reasonable factors: 1) lower expenditure in field building and operations allowed for more activities in 2021 as well as additional funds for roll over into 2022, and 2) the lack of reflection of the litigation track support reserve in the profit and loss statement. The portion of the grantmaking budget set aside for future instances is not reflected in the financial statements. If the litigation track support reserve contribution was considered, the total spending would come to EUR 1.46 million.

2021 was yet again a very successful year in fundraising. Besides securing renewals from all its current core funders and raising additional project support, DFF raised funds from three new funders: Robert Bosch Stiftung, Limelight Foundation and Stiftung Mercator. These new funders will support DFF with both project and core support in 2022 and beyond. This brings DFF's active funders to 11, consisting of seven core funders and seven project funders<sup>1</sup>.

The grantmaking budget was EUR 600,000 in 2021 and all funds were committed to 16 projects. This as well as further COVID-19 Litigation Fund instances resulted in EUR 500,898 in grant contracted in 2021 (EUR 864,601 in 2020) with an additional EUR 103,430 being set aside for future instances (EUR 200,585 in 2020 bringing the amount on reserve to EUR 304,015). Grantmaking's proportion of spending before financial gains totalled 38%, within the target range of 35-50%. If the contributions to the Litigation Track Support reserves for future instances are considered, the proportion in spending increases to 42%.

Although field build was very active in 2022 with several events and series, field building spending was lower than budgeted as all events remained online. Total core field building spending came to EUR 76,275 with an additional EUR 9,979 in other field building projects (EUR 133,890 in 2020). This spending includes the completion of other field building activities rolled over from 2020 such as the litigation toolkits and case studies. Racial, Social and Economic Justice field building spending totalled EUR 76,541. This category includes all spending related to the Decolonising - Phase II and Digital Rights for All initiatives. Spending in this category was slightly lower than projected as the Digital Rights for All Programme was extended into the second half of 2022. Together, all field building accounted for 12% of total spending before financial gains and reserve allocations (2020: 15%). When considered together with the RSEJ field building project staff costs, the proportion rises to 17%, which is within the operating ratio target for field building to account for 15% to 30% of total spending, subject to the field's needs. The proportion of spending is expected to increase in 2022 and beyond, as the Racial, Social and Economic Justice initiatives continue and gain more momentum.

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<sup>1</sup> Some core funders are also project funders, resulting in a sum larger than 11 total funders.



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Operating expenses increased in 2021 but were below budget. Operating expenses totalled EUR 669,503 (2020: EUR 518,397). This represents a year-on-year increase of 29%. Operating expenses amounted to 50% of total expenses (2020: 31%). However, the increase is no cause for alarm. Half of the increase in operating costs is due to the reclassification of the two RS&EJ project positions under operating expenses. These positions are fully committed to the Decolonising the Digital Rights Field and the Digital Rights for All initiatives and covered by project funding. Besides these project costs, an increase in operating expenses was planned since the pilot evaluation found that DFF absolutely required more staffing to become a sustainable institution. Further, there were also several one-off operating expenditures in 2021 that contributed significantly to a temporary increase in the operating cost structure, such as the expenses related to the Director transition process. Luckily, earmarked funding was raised for these expenditures, so they did not impact DFF's core funding availability. If these one-off expenses and project costs are not considered in the ratio calculation, operating costs are within the established operating ratio range of 30-42%. However, due to the requirement to classify these project costs as operating costs, the assumptions underlying the operating ratio limits will need to be reassessed and the targets will need to be realigned to fit DFF's current activity structure.

While there was unexpected spending on one-off operating expenditures, there was underspending on several other operating cost budget lines. Although some of the underspending was caused by understaff, some of the spending was simply deemed unnecessary at the current time. The underspending in operations did bring with it the benefit that funding destined for these expenses was could be put towards other essential activities and needs in 2022. Going forward, as DFF continues to bring on more capacity according to external advisory on organisational development, the cost structure will need to be closely monitored to remain within the established operating ratio.

Concerning results after financial gains/losses, more than half of DFF's funding continues to be received in foreign currency, primarily USD. Since DFF does not keep open currency positions, all dollars are sold as they are received and any foreign currency loss or gain immediately realised. Due to the timing of the receipt of USD funds in the first half of 2021, the provisioning policy provided an extra liquidity boost in the second half of 2021 as foreign currency buffers could be released and reallocated to other expenses.

Besides foreign currency losses and gains, negative interest has become a major financial expense. Negative interest was introduced by all major Dutch banks in 2021. After discussing with other organisations and doing a survey among banks, it was determined that there are few options to reduce negative interest charges. Negative interest was the main contributor to the large increase in financial losses from EUR 6,685 in 2020 to EUR 23,097 in 2021. However, due to conservative budgeting guidelines, financial losses remained below the EUR 29,992 budget provision for 2021. Negative interest thresholds were further decreased mid-year and will again be decreased in February 2022 to EUR 100,000, meaning almost all balances will incur negative interest in 2022. For this reason, budget provisions for financial losses will remain at a similar level in 2022. DFF continues to collect data on litigation track support to determine if it is possible to reduce the provisions kept on hand for future instances to improve DFF's financial efficiency.

At the close of 2021, DFF's balance sheet positions were satisfactory with no significant changes in structure. DFF's total balance sheet expanded significantly in 2021 and stood at EUR 2.4 million in

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assets as of 31.12.2021 (31.12.2020: EUR 1,522,816). This increase was expected as several contracts were ending in 2020, and fresh multiyear funding was received in 2021 for 2021 and future periods. 99% of the balance sheet continues to be constituted of cash and cash equivalents. Liquid assets are largely offset on the balance sheet by grants to be paid at EUR 798,506 (31.12.2020: EUR 743,643). Deferred grants from donors increased from EUR 561,103 as of 31.12.2020 to EUR 1.4 million. Fixed assets remain minimal, with all office space and furniture included in the office rental fees. Other liabilities are minimal with the accounts payable consisting primarily of grant payment requests received in late December that were paid in January.

Besides liquid liabilities, reserves make up a significant portion of liquid assets. In accordance with the Operating Reserve Policy, DFF began building reserves in 2019 and achieves its goal of reaching the minimum reserve target of three months operating expenses by the end of 2020. As operating expenses increased only marginally in 2021 and were due to many one-off expenditures, the operating reserves remain unchanged as of 31.12.2021 standing at EUR 136,098. This position remains sufficient to ensure DFF can bridge any short-term liquidity shortages or cover any unexpected expenses. Besides the operating reserve, there are the funds DFF sets aside for future litigation instances not yet contracted. These funds accounted for EUR 304,015 of liquid assets. Together, these funds and the operating reserve account for a significant portion (18%) of liquid assets.

The revised Finance Policy was approved in early 2021. The Policy was revised to reflect the changes in process as accounting tasks were brought in house. The policy was also made more comprehensive by incorporating previously stand-alone documents such as the budgeting guidelines into the main policy. Policies and procedures will continue to be reviewed in 2022 as it may be beneficial to provide more flexibility in day-to-day financial operations and the scale of operations grow.

One other major change in financial management was the introduction of a new cost assignment method. Previously cost assignment was done manually on a per entry basis. In 2021, DFF replaced this method with a cost pool assignment method. The cost pool method has proven much more time efficient and leaves less space for human error by drastically reducing the total number of manual entries. This method also increases the transparency of cost assignment. In 2022, the method may be formalised by providing further guidance for cost assignment through a guideline and procedure.

#### **1.4 Governance**

2021 was Nani Jansen Reventlow's final year as DFF's managing Director. After over four years at DFF, she handed over the reins to Mauricio Lazala Leibovich in January 2022. Nani was supported in DFF's activities by a team that increased from three to five FTE in 2021 aided by other part-time staff. At the close of 2021, DFF had six full-time and three part-time roles.

DFF's Board membership reduced from eight to seven directors, as one Board member resigned after completion of their term. Costs related to carrying out Board duties, such as travel and accommodation, are covered by DFF. The Board receives no compensation for its duties.

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Board of directors :

Chair	: Fieke Jansen, PhD candidate at Cardiff University and independent consultant
Treasurer	: Nicole Rose Nieman, Development Consultant
Secretary	: Simone Peek, Lawyer and Partner at bureau Brandeis
Member	: Raegan MacDonald, Director of Public Policy at Mozilla
Member	: Rupert Skilbeck, Director at Redress
Member	: Karmen Turk, Litigation Attorney and Partner at Pan-Baltic TRINITI
Member	: Jiefan Hsu, Independent Finance Consultant
Member	: Atanas Politov, Europe Director of Pro Bono at Dentons (resigned in 2021 upon completion of term)

The Board operates with a tiered term system to avoid a complete Board turnover at any time. The general term for Board membership is four years, which can be extended once with another four-year term. A Board member will automatically resign after serving two terms. In 2022, two of the founding Board members renewed their terms while one resigned at the end of their term. The two Board members who renewed their terms did this to provide further continuity and oversight in the leadership transition process.

The Chair is responsible for ensuring that the Board meets its obligations in a timely fashion, i.e. responding to grant recommendations, signing off on budgets and accounts, approving minutes, and any other tasks that may be required, and is the main point of contact for the Director. The Chair position is taken on by a Board member for the duration of two years on a rotating basis. Besides the previously established Grantmaking Committee, three additional committees were established in 2020 to create a more efficient Board structure: Executive Committee, Finance Committee and Human Resource Committee. The Board structure will be reviewed in 2022 as part of the internal decolonising process and in light of DFF having exited its pilot phase.

### **1.5 Communication with stakeholders**

As an organisation with a clear objective to facilitate coordination amongst actors in the digital rights field, all of DFF's activities revolve around continually engaging digital rights stakeholders. All field building activities explicitly involve bringing actors in the field of digital rights together for dialogue and strategic cooperation. To ensure this could effectively take place, DFF boosted its investment in communications in 2020 and 2021 as events and activities moved online.

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Further, DFF's ongoing strategy process is a systematic exercise in communication with the European digital rights field. DFF invests considerable resources in strategic activities to ensure maximum effectiveness of its activities. Besides the annual strategy meeting, other activities have offered a forum for dialogue with DFF and to connect actors in the field, such as thematic litigation events and workshops. These activities have been closely linked to the strategy and grantmaking activities to improve communication and transparency between DFF and its network. In 2022, DFF will continue improving its communications by bringing a full-time Communications Officer on staff to focus and improve DFF's communication efforts.

#### **1.6 Expected course of events in 2022**

2021 was another year of expansion, as the team and field building activities grew. DFF will welcome its new Director in 2022 and will reconfirm its mission through the formulation of its new strategic plan early in the year. Fundraising will need to become more sophisticated as operations become more complex. There will be ambitious fundraising needs as the Decolonising the Digital Rights Field and Digital Rights for All prepare for the next phase of work. Luckily with funding for the core programme secured through long-term, unrestricted funding, efforts can be focused on longer-term field building fundraising strategy and increasing funds available for grantmaking.

Looking ahead to 2022 grantmaking, DFF will open its next call for application in January 2022, with another call to follow in mid-2022. Alongside DFF's involvement in the wider process to decolonise the digital rights field, DFF will explore changes to decolonise its own grantmaking. An external consultant started reviewing DFF's processes in late 2021 and is due to make their recommendations in early 2022.

After adding two full-time positions in 2021, the team will continue to grow with the creation of one full-time role and the conversion of a 50% student support role to an 80% staff position. The full-time Communications Officer will take over the multitude of communications tasks will have the two-fold benefit of both free up other staff's time and allowing a fresh mind to bring in new ideas and give proper attention to communications strategy and planning. The 80% Racial and Social Justice Support will provide crucial support to the ambitious racial and social justice initiatives already underway.

The planned 2022 activities result in a total annual organisational budget before financial losses/gains including tentative activities of EUR 2.3 million and EUR 1.9 million excluding tentative activities. The realisation of the core budget excluding tentative activities, would result in an increase in activity of approximately 30%. These are ambitious plans, but DFF has been laying the groundwork for this increase in activity in 2021. With the funding for the budget excluding tentative activities already highly likely to materialise, this ensures that activities will increase in 2022 in line with DFF's growth trajectories.

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Budget Summary

	<u>2022</u> <u>budget incl</u> <u>tentative</u>	<u>2022</u> <u>budget excl</u> <u>tentative</u>	<u>2021</u> <u>actual</u> <u>spending</u>	<u>2021</u> <u>budget incl</u> <u>tentative</u>
Grantmaking	€ 820,000	€ 705,000	€ 505,356	€ 730,088
Core field building	€ 287,062	€ 102,362	€ 76,275	€ 176,930
RS&EJ field building	€ 375,263	€ 312,763	€ 76,541	€ 220,461
Other projects	€ -	€ -	€ 9,979	€ 15,818
Operating costs	€ 867,125	€ 764,974	€ 669,503	€ 706,204
<b>Sub-total</b>	<b>€ 2,349,450</b>	<b>€ 1,885,099</b>	<b>€ 1,337,654</b>	<b>€ 1,849,501</b>
Contingency	€ 30,589	€ 30,589	€ -	€ 15,738
Financial gains/losses	€ 35,000	€ 35,000	€ 23,097	€ 29,992
<b>Total</b>	<b>€ 2,415,039</b>	<b>€ 1,950,688</b>	<b>€ 1,360,750</b>	<b>€ 1,904,091</b>

1.7 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 and providing additional social benefits, such as voluntary private pension contributions and other allowances.

On behalf of the Board of Digital Freedom Fund,

M. Lazala  
Director

DocuSigned by:  
*Mauricio Lazala Leioich*  
78B6997702224E6...

Fieke Jansen  
Chair

DocuSigned by:  
*Fieke Jansen*  
6B012AC938ED46D...

Amsterdam, 22 June 2022

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## 2. 2021 FINANCIAL STATEMENTS

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**2.1 Balance sheet as at 31 December (after appropriation of result)**

<b>ASSETS</b>		<b>31-12-2021</b>	<b>31-12-2020</b>
		€	€
<b><u>Non-current assets</u></b>			
<b>Equipment</b>	<b>2.5.1</b>		
Equipment		10,212	3,549
		<u>10,212</u>	<u>3,549</u>
		-----	-----
<b><u>Current assets</u></b>			
<b>Receivables</b>	<b>2.5.2</b>		
Accrued assets		4,080	4,791
Other current assets		3,970	3,970
		<u>8,050</u>	<u>8,761</u>
		-----	-----
<b>Cash and cash equivalents</b>	<b>2.5.3</b>	<u>2,420,011</u>	<u>1,510,506</u>
		-----	-----
<b>Total assets</b>		<u><u>2,438,273</u></u>	<u><u>1,522,816</u></u>

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**2.1 Balance sheet as at 31 December (after appropriation of result)**

<b>LIABILITIES</b>		<b>31-12-2021</b>	<b>31-12-2020</b>
		<b>€</b>	<b>€</b>
<b><u>Reserves and funds</u></b>	<b>2.5.4</b>		
<b>Reserves</b>			
Continuity reserve		136,098	136,098
		<u>136,098</u>	<u>136,098</u>
		-----	-----
<b><u>Current liabilities</u></b>	<b>2.5.5</b>		
Accounts payable		81,275	54,996
Other current liabilities		2,195,650	1,304,746
Other accruals		25,250	26,976
		<u>2,302,175</u>	<u>1,386,718</u>
		-----	-----
<b>Total liabilities</b>		<u><u>2,438,273</u></u>	<u><u>1,522,816</u></u>



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**2.2 Statement of income and expenditure**

		Actual 2021	Budget 2021	Actual 2020
		€	€	€
<b><u>INCOME GRANT GIVERS</u></b>	<b>2.6</b>			
Income from companies		4,655	-	20,300
Income from other non-profit organisations		1,356,096	1,920,676	1,734,220
<b>Total income</b>		<b>1,360,751</b>	<b>1,920,676</b>	<b>1,754,520</b>
<b><u>EXPENSES</u></b>				
<b>Direct external project costs</b>	<b>2.7.1</b>			
Field building		76,275	176,930	133,890
Grantmaking		505,356	730,088	882,442
Decolonising Phase I		8,677	12,209	33,991
Racial and social justice		7,542	108,252	-
Decolonising Phase II		60,322	100,000	-
Other projects		9,979	15,818	85,552
		<b>668,151</b>	<b>1,143,297</b>	<b>1,135,875</b>
<b>Operating expenses</b>	<b>2.7.2-2.7.9</b>			
Office costs		45,235	81,201	49,172
Finance, legal and administration		36,121	31,100	37,481
Staff costs		547,877	538,353	385,774
Travel and accommodation		520	10,000	2,752
Governance		649	-	420
Other operational costs		10,975	13,300	26,334
Monitoring & evaluation		10,038	17,850	11,372
General costs		18,088	14,400	5,092
		<b>669,503</b>	<b>706,204</b>	<b>518,397</b>
<b>Total expenses</b>		<b>1,337,654</b>	<b>1,849,501</b>	<b>1,654,272</b>
<b>Balance before financial income and expense</b>		<b>23,097</b>	<b>71,175</b>	<b>100,248</b>

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Amsterdam

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**2.2 Statement of income and expenditure**

		Actual 2021	Budget 2021	Actual 2020
		€	€	€
Financial income and expense	2.7.10	-23,097	-45,730	-6,685
<b>Balance of income and expenses</b>		<b>-</b>	<b>25,445</b>	<b>93,563</b>

**2.2.2 Result appropriation**

**Additions to:**

Continuity reserve	-	25,445	93,563
<b>Total</b>	<b>-</b>	<b>25,445</b>	<b>93,563</b>

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## 2.3 Cash Flow Statement

	2021	2020
	€	€
<b>Cash flow from operational activities</b>		
Total income	1,360,751	1,754,520
Total expenses	1,337,654	1,654,272
Income less expenses	23,097	100,248
Depreciation	1,462	1,197
<b>Cash flow</b>	<b>24,559</b>	<b>101,445</b>
<b>Movements in:</b>		
Receivables	711	10,399
Accounts payable	26,279	51,286
Other current liabilities	889,178	51,439
	<b>916,168</b>	<b>113,124</b>
<b>Total cash flow from operational activities</b>	<b>940,727</b>	<b>214,569</b>
<b>Cash flow from investing activities</b>		
Investments in equipment	-9,224	-959
Divestments in equipment	1,099	-
<b>Total cash flow from investing activities</b>	<b>-8,125</b>	<b>-959</b>
<b>Cash flow from financing activities</b>		
Exchange differences	-23,097	-6,685
<b>Total cash flow from investment activities</b>	<b>-23,097</b>	<b>-6,685</b>
<b>Total cash flow</b>	<b>909,505</b>	<b>206,925</b>

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	2021	2020
	€	€
Balance of Cash and cash equivalents as at beginning of	1,510,506	1,303,581
Total cash flow	905,505	206,925
Balance of Cash and cash equivalents as at year-end	2,420,011	1,510,506

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Amsterdam

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## **2.4 Principles of valuation and determination of the result**

### **2.4.1 General principles**

The financial statements have been drawn up on the basis of Guideline C1 for 'Small Non-profit Organisations' of the Council for Annual Reporting. The purpose of this Guideline is to provide insight into the costs of organising and spending the funds in relation to the purpose for which they were raised. The financial statements are presented in euros. The cash flow statement has been prepared using the indirect method. The financial year relates to the dates from 1 January 2021 to 31 December 2021.

#### **Principles of valuation**

### **2.4.2 General principles of valuation**

Assets and liabilities are included at amortised cost, unless stated otherwise.

Foreign currency transactions during the reporting period are incorporated in the financial statements at the exchange rate on transaction date. Monetary assets and liabilities in foreign currency at balance sheet date are converted into the functional currency (euros) at the exchange rate. The resulting exchange differences from the conversion are charged to the profit and loss account, unless hedge accounting is applied.

### **2.4.3 Equipment**

Equipment required to achieve the objectives and to carry out business operations are carried at historical cost less depreciation based on the estimated useful lives of the assets, taking into account any residual value. Depreciation is determined as a percentage of historical cost.

### **2.4.4 Cash and cash equivalents**

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

### **2.4.5 Reserves and funds**

Reserves are funds that can be spent at the foundation's discretion. The board may hold target reserves that may be used for a specific purpose.

Funds concern money to be spent within the framework of the objective for which they have been made available. This relates to the unused portion of donations granted and other funds, as well as and funds that are fixed in fixed assets.

### **2.4.6 General principles of recognition and measurement of income and expenses**

The result is determined as the balance of income and all related expenses and other charges attributable to the reporting year, in accordance with the valuation principles referred to above.

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#### **2.4.7 Income**

Income consists of all income attributable to the year under review.  
Advances are recognised in the financial year in which they are received.

#### **2.4.8 Costs**

The grantmaking costs are attributed to the financial year of the approved board decision, in the moment DFF becomes committed to the third party. Other costs are allocated to the related period.

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Amsterdam

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## 2.5 Notes to the balance sheet as at 31 December 2021

### ASSETS

#### NON-CURRENT ASSETS

##### 2.5.1 Equipment

The movements in equipment assets are summarised in the following table:

	Equipment 2021	Equipment 2020
	€	€
Balance at 1 January		
Historical cost	6,017	5,058
Cumulative depreciation	-2,468	-1,271
	<u>3,549</u>	<u>3,787</u>
Movements in financial year		
Investments	9,224	959
Divestments	-1,099	-
Depreciation	-2,324	-1,197
Depreciation divestments	862	-
	<u>6,663</u>	<u>-238</u>
Balance at 31 December		
Historical cost	14,142	6,017
Cumulative depreciation	-3,930	-2,468
	<u>10,212</u>	<u>3,549</u>

Depreciation is calculated on the basis of the following annual depreciation rates:

Equipment	20 %
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**2.5 Notes to the balance sheet (continued)**

	31-12-2021	31-12-2020
	€	€
<b>CURRENT ASSETS</b>		
<b><u>2.5.2 Receivables</u></b>		
<b>Accrued assets</b>		
Prepaid accommodation costs	305	2,791
Prepaid office expenses	145	-
Prepaid general expenses	3,630	381
Prepaid direct costs	-	1,607
Amounts to be received	-	12
Balance as at 31 December	4,080	4,791
<b>Other current assets</b>		
Deposit	3,970	3,970
Balance as at 31 December	3,970	3,970
<b><u>2.5.3 Cash and cash equivalents</u></b>		
Current account ABN AMRO .053	19,440	15,374
Savings account ABN AMRO bank .088	1,211,200	700,200
Current account ABN AMRO bank .096	1,175,368	794,356
Dollar account ABN AMRO .867	13,891	552
Cash	158	70
Creditcard	-46	-46
Balance as at 31 December	2,420,011	1,510,506

Cash balances are directly available.

The balance of the dollar account in dollar as at 31 December 2021 is \$ 15.733 (rounded).



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**2.5 Notes to the balance sheet (continued)**

**2.5.4 Reserves and funds**

	2021	2020
	€	€
<b><u>Reserves</u></b>		
<b>Continuity reserves</b>		
Balance as at 1 January	136,098	42,535
Increase due to appropriation of result	-	93,563
Balance as at 31 December	<u>136,098</u>	<u>136,098</u>

The continuity reserve is formed to cover short-term risks and to ensure that obligations can continue to be met in the future.

**2.5.5 Current liabilities**

	2021	2020
	€	€
<b>Accounts payables</b>	81,275	54,996
Balance as at 31 December	<u>81,275</u>	<u>54,996</u>
<b>Other current liabilities</b>		
Deferred grants	1,397,144	561,103
Grants to be paid	798,506	743,643
Balance as at 31 December	<u>2,195,650</u>	<u>1,304,746</u>

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**2.5 Notes to the balance sheet (continued)**

	31-12-2021	31-12-2020
	€	€
<b>Other accruals</b>		
Vacation days' reserve	-	1,007
Accrued housing expenses	-	397
Accrued office expenses	95	-
Accrued banking expenses	2,789	22
Accrued general expenses	22,366	22,013
Accrued direct costs	-	3,537
Balance as at 31 December	25,250	26,976

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## **2.5 Notes to the balance sheet (continued)**

### **2.5.6 Assets, liabilities and commitments not included in the balance sheet**

#### **Conditional obligations (grantmaking)**

Introduced in 2020, DFF has now converted all litigation finance to Litigation Track Support, grants to support long-term litigation projects. These projects can consist of multiple instances over several years. A new instance begins when the previous instance has been completed and meets a certain set of criteria laid out in the framework agreement. Each instance is granted through a separate contract called a "Instance Grant Order". Therefore instances that are yet to be contracted are conditional obligations. On 31 December 2021, DFF has eleven active litigation track support framework agreements with uncontracted amounts. Those frameworks contain provision for up to 55 litigation instances with 25 instances already contracted and underway, leaving 30 potential instances with an estimated cost of EUR 327.034 to be contracted if earlier instances are unsuccessful.

#### **Grants**

Funds still to be received in 2022:

- \$ 500.000 (total fund of \$ 1.017.500, unrestricted)
- \$ 300.000 (total fund of \$ 450.000, unrestricted)
- \$ 85.000 (total fund of \$ 285.000, project)
- € 500.000 (total fund of € 750.000, organisational support)
- € 200.000 (total fund of € 300.000, organisational support)
- € 100.000 (total fund of € 200.000, unrestricted)
- € 95.000 (total fund of € 95.000, restricted)

#### **Rental obligation**

Digital Freedom Fund has a contract for the rental of the property located at Oranienstraße 183 in Berlin. The rental obligation of the office space 2021 amounts to approximately € 22,531 per year, excluding service costs.

#### **Commitments**

Per 30 September 2021 Digital Freedom Fund made an agreement for support in the preparation in and drafting of the European Commissions upcoming call for proposals to 'promote capacity building and awareness on the EU Charter of Fundamental Rights and activities on strategic litigation relating to democracy'. In 2021 40% has already been paid in 2021, in 2022 another 60% (€6,806 excl. VAT) must be paid as agreed.

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Amsterdam

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## 2.6 Notes to income

	Actual 2021	Budget 2021	Actual 2020
	€	€	€

### INCOME GRANT GIVERS

#### 2.6.1 Income from companies

Dentons Europe	4,655	-	20,300
	4,655	-	20,300

In 2021, pro bono legal advisory services were received from the law firm Dentons Europe. The value of these services was € 4,655 which has been accounted for as income and costs.

#### 2.6.2 Income from other non-profit organisations

Core funder organisations	314,195	-	1,430,281
Project funder organisations	204,039	-	303,939
Unrestricted	837,862		
Funder organisations	-	1,920,676	-
	1,356,096	1,920,676	1,734,220

In 2021, seven grants were received for the purpose of core and organisational support and are largely structural. The period of these contracts vary from one year up to 3 year and four months. These contracts (with core and organisational support) are largely unconditional with basic requirements for timely and transparent reporting on the usage of funds and financial procedure. Three of these contract have expired.

Five grants have been granted for specific projects. One of these grants come from a core funder organisation. This includes grants for COVID-projects.

Three of these contracts have already ended.

All income has been matched with the costs, except for a part of extra income that has been used for building a continuity reserve.

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**2.7 Notes to expenses**

	Actual 2021	Budget 2021	Actual 2020
	€	€	€
<b><u>2.7.1 Direct external project costs</u></b>			
<b>Field building</b>			
Strategy process	32,929	40,000	62,043
Partners' meetings	30,152	136,930	71,847
Strategic litigation toolkit	13,194	-	-
	<u>76,275</u>	<u>176,930</u>	<u>133,890</u>
<b>Grantmaking</b>			
Grants	-6,320	-	485,654
Honorarium grants	2,978	8,000	9,000
Grant management software	7,800	2,088	8,841
COVID-19 Litigation grants	41,104	-	378,947
Discretionary fund	-	10,000	-
Litigation track support grants	459,794	710,000	-
	<u>505,356</u>	<u>730,088</u>	<u>882,442</u>
<b>Decolonising Phase I</b>			
Decolonising Phase I	8,677	12,209	33,991
	<u>8,677</u>	<u>12,209</u>	<u>33,991</u>

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**2.7 Notes to expenses (continued)**

	Actual 2021	Budget 2021	Actual 2020
	€	€	€
<b>Racial justice in the digital context</b>			
Racial and Social Justice	7,542	108,252	-
	<u>7,542</u>	<u>108,252</u>	<u>-</u>
	<u><u>7,542</u></u>	<u><u>108,252</u></u>	<u><u>-</u></u>
<b>Decolonising Phase II</b>			
Decolonising Phase II	60,322	100,000	-
	<u>60,322</u>	<u>100,000</u>	<u>-</u>
	<u><u>60,322</u></u>	<u><u>100,000</u></u>	<u><u>-</u></u>
<b>Other projects</b>			
Programme evaluation and M&E projects	9,979	15,018	72,481
COVID AI Meeting	-	800	13,071
	<u>9,979</u>	<u>15,818</u>	<u>85,552</u>
	<u><u>9,979</u></u>	<u><u>15,818</u></u>	<u><u>85,552</u></u>

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Amsterdam

**2.7 Notes to expenses (continued)**

	Actual 2021	Budget 2021	Actual 2020
	€	€	€

**Operating expenses**

**2.7.2 Office costs**

Office	24,167	33,951	23,243
IT	13,559	32,910	8,582
Communications	7,509	16,200	17,347
	<u>45,235</u>	<u>83,061</u>	<u>49,172</u>

**2.7.3 Finance, legal and administration**

Administration	14,518	15,200	24,796
Payroll	1,753	1,400	1,143
Banking	1,128	500	685
Accountant	15,428	14,000	10,857
Consultancy fundraising	3,294	-	-
	<u>36,121</u>	<u>31,100</u>	<u>37,481</u>

**2.7.4 Staff costs**

The average number of employees, expressed in full-time employees, was as follows during the financial year 2021: 5.9, last year this was 4.8.

Wages and salaries	339,452	305,103	248,293
Social security charges	37,225	36,861	27,636
Employers contribution to pension costs (voluntary)	26,290	33,510	19,848
Employers contribution to pension costs (mandatory)	29,293	30,997	22,006
Reservation holidays	-839	-	-663
Employers contribution to reservation holidays	-168	-	-133
Costs of outsourced work	69,292	67,381	40,086
Other personnel costs	47,332	60,000	28,701
	<u>547,877</u>	<u>538,352</u>	<u>385,774</u>

Stichting Digital Freedom Fund  
Amsterdam

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## 2.7 Notes to expenses (continued)

### Management remuneration

Explanation of management costs:

Name	Yakare-Oule Jansen
Function	Director
<i>Employment:</i>	
Nature of contract	Indefinite
Weekly working hours	40
Percentage	100%
Period	January 1, 2021 to December 31, 2021

### *Remuneration:*

Total gross income	106,273
Pension insurance subsidy	6,816
Non-taxable payments	440
Pension contribution(employer)	<u>7,924</u>
Total management remuneration	121,453

As of January 1 2022, Mauricio Lazala Leibovich has taken over the position of director from Yakare-Oule Jansen.

### Directors' remuneration

The members of the board receive no remuneration. In 2020, however, an amount of € 649 was provided to the members of the board in expense reimbursement. No loans, advances or guarantees have been provided to directors or management.

	Actual 2021	Budget 2021	Actual 2020
	€	€	€

#### 2.7.5 Travel

Staff travel & travel insurance	520	10,000	2,752
	<u>520</u>	<u>10,000</u>	<u>2,752</u>

#### 2.7.6 Governance

Annual board meeting	-	8,000	420
Board expenses	649	-	-
	<u>649</u>	<u>8,000</u>	<u>420</u>



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Amsterdam

**2.7 Notes to expenses (continued)**

	Actual 2021	Budget 2021	Actual 2020
	€	€	€
<b><u>2.7.7 Other operational</u></b>			
Insurance	6,320	5,300	6,034
Legal advisory (pro bono)	4,655	-	20,300
	<u>10,975</u>	<u>5,300</u>	<u>26,334</u>
<b><u>2.7.8 Monitoring &amp; evaluation</u></b>			
Monitoring & evaluation	10,038	17,850	11,372
	<u>10,038</u>	<u>17,850</u>	<u>11,372</u>
<b><u>2.7.9 General costs</u></b>			
Business relations	4,450	2,000	1,792
Annual review	9,780	7,640	-
Professional literature	82	300	68
Depreciation inventory	2,324	-	1,197
Book loss inventory	237	-	-
Other office costs	1,215	2,600	2,035
	<u>18,088</u>	<u>12,540</u>	<u>5,092</u>
<b><u>2.7.10 Financial income &amp; expense</u></b>			
Currency differences	12,974	29,992	6,906
Interest	10,123	-	-221
Contingency	-	15,738	-
	<u>23,097</u>	<u>45,730</u>	<u>6,685</u>


Stichting Digital Freedom Fund  
Amsterdam


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2.8 Signing By the Board


Adopted and approved at Amsterdam on 22 June 2022.


DocuSigned by:  
  
Josephina Cornelia Maria (Fieke) Jansen  
Chairman


DocuSigned by:  
  
Nicole Rose (Nicole) Nieman  
Treasurer

DocuSigned by:  
  
Simone Maria (Simone) Peek  
Secretary

DocuSigned by:  
  
Reagan Lorraine (Reagan) MacDonald  
Member

DocuSigned by:  
  
Rupert Hugh (Rupert) Skilbeck  
Member

DocuSigned by:  
  
Karmen (Karmen) Turk  
Member

DocuSigned by:  
  
Jieran (Jieran) Hsu  
Member

Stichting Digital Freedom Fund  
Amsterdam

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### 3. OTHER INFORMATION

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Stichting Digital Freedom Fund  
Nieuwezijds Voorburgwal 104  
1012 SG AMSTERDAM

## INDEPENDENT AUDITOR'S REPORT

To: The Board of Stichting Digital Freedom Fund

### A. Report on the audit of the financial statements 2021 included in the annual report

#### Our opinion

We have audited the financial statements 2021 of Stichting Digital Freedom Fund, based in Amsterdam.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Stichting Digital Freedom Fund as at 31 December 2021, and of its result for 2021 in accordance with Directive Rjk C1 Small organisations-without-profit.

The financial statements comprise:

- the balance sheet as at 31 December 2021, with a balance total of € 2,438,273;
- the profit and loss account for 2021, with € 1,360,751 income and a result of zero and
- 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 Digital Freedom Fund in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de Onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening Gedrags- en Beroepsregels Accountants (VGBA, Dutch Code of Ethics).

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

### B. Report on the other information included in the annual report

**Report on the other information included in the 2021 annual report** In addition to the financial statements and our auditor's report thereon, the annual report contains other information.

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 Directive Rjk C1 'Small organisations-without-profit'.

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 Directive Rjk C1 'Small organisations-without-profit'.

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

#### **Responsibilities of the board and management for the financial statements**

The board and management is responsible for the preparation and fair presentation of the financial statements in accordance with Directive Rjk C1 'Small organisations-without-profit'. Furthermore, the board and management is responsible for such internal control as the board and management 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 and management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The board and management should disclose events and circumstances that may cast significant doubt on the company'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 engagement 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.

A more detailed description of our responsibilities is written down in the annex of this opinion.

Amersfoort, 22 June 2022.

WITh accountants B.V.

Drs. J. Snoei RA

Annex

## **Annex by our report on the audit of the financial statements 2021 of Stichting Digital Freedom Fund**

In addition to our opinion we herewith describe our responsibilities for the audit on the financial statements.

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 among others:

- 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 company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluding on the appropriateness of management'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 company'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 company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Stichting Digital Freedom Fund  
Amsterdam

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#### 4. APPENDIX

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Stichting Digital Freedom Fund  
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4.1 2022 Budget

	Budget 2022	Actual 2021	Budget 2021
	€	€	€
<b><u>INCOME</u></b>			
Income grant givers	2,415,039	1,360,751	1,920,676
Total income	2,415,039	1,360,751	1,920,676
<b><u>EXPENSES</u></b>			
<b>Direct external project costs</b>			
Field building	287,062	76,275	176,930
Grantmaking	820,000	505,356	730,088
Decolonising Phase I	-	8,677	12,209
Racial & Social Justice	375,263	7,542	108,252
Decolonising Phase II	-	60,322	100,000
Other Projects		9,979	15,818
Spent on objectives	1,482,325	668,151	1,143,297
<b>Operating expenses</b>			
Office costs	92,760	45,235	83,061
Finance, legal and administration	43,920	36,121	31,100
Staff costs	658,745	547,877	538,353
Travel and accommodation	12,000	520	10,000
Governance	8,500	649	8,000
Other operational costs	7,000	10,975	5,300
Monitoring & evaluation	20,000	10,038	17,850
General costs	24,200	18,088	12,540
	867,125	669,503	706,204
Total expenses	2,349,450	1,337,654	1,849,501

4.1 2022 Budget (continued)



Stichting Digital Freedom Fund  
Amsterdam

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	Budget 2022	Actual 2021	Budget 2021
	€	€	€
Balance before financial income and expense	65,589	23,097	71,175
Contingency	-30,589	-	-15,738
Balance of financial income and expense	-35,000	-23,097	-29,992
Balance of income and expenses	-	-	25,445