

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

2023 ANNUAL REPORT

REPORT

On the 2023 financial statements

Stichting Digital Freedom Fund
Amsterdam

2023 ANNUAL REPORT

CONTENTS

Page number

1. Management report/directors' report

1.1	General	4
1.2	Achievement of objectives	4
1.3	Financial policy and financial results	8
1.4	Governance	10
1.5	Communication with stakeholders	11
1.6	Expected course of events	12
1.7	Social aspects	13

2. 2023 Financial statements

2.1	Balance sheet as at 31 December 2023	16
2.2	Statement of income and expenditure	18
2.3	Cash flow statement	20
2.4	Principles of valuation and determination of the result	22
2.5	Notes to the balance sheet as at 31 December 2023	24
2.6	Notes to income	29
2.7	Notes to expenses	30

3. Other information

3.1	Audit opinion	37
-----	---------------	----

4. Appendix

4.1	2024 Budget	42
-----	-------------	----

Stichting Digital Freedom Fund
Amsterdam

1. MANAGEMENT REPORT/DIRECTORS' REPORT

Stichting Digital Freedom Fund
Amsterdam

1.1 General

1.1.1 Introduction

When DFF was founded, it was against the backdrop of a convergence of online and offline threats to freedom of expression, privacy, equality, access to services and other fundamental rights everywhere. However, tech companies and many governments are also expanding their resources and influence, leading to increased power inequality and more human rights violations.

Since then, regulations and frameworks like the General Data Protection Framework and Digital Services Act have been brought in offering some hope for better protection and more freedom online. Strategic litigation is already one of the most important tools for ensuring these new EU acts and regulations have teeth, even in just the first months since the regulations have come into force. Alongside public campaigning, advocacy, and engagement with policy makers, it has proven to be a crucial lever to protect human rights in the digital realm.

As the wider context has changed, DFF is at the forefront of forming an effective digital rights community and influencing how strategic litigation is used for change. We have taken major steps to further integrate racial, social, gender, and economic justice perspectives into our main work streams, and critically self-reflect on our approach to work. In recent years, we have expanded our work to encompass a wider scope of organisations working towards a society in which all communities and individuals can fully enjoy their human rights in digital and non-digital spaces, and to be able to fund more deserving litigation cases.

1.2 Achievement of objectives

2023 was another exceptional year with expansion of activities and realignment with all operating ratio targets. Most noticeably, spending of CSS activities rapidly increased due to a full return to in-person events and the launch of the DIGIRISE programme in November 2022. The grantmaking budget grew and was again fully committed. Growth in activities easily outpaced operational spending growth, allowing all ratios to return within their target bands. And all of these gains were achieved while reducing staff work time through permanent adoption of a four-day workweek.

The grantmaking budget grew to EUR 750,000 and was fully committed to support strategic litigation and pre-litigation research cases. An important development that began in 2022 but that had its first impacts in 2023 was the securing of earmarked funding for the purpose of regranting. In 2023 nearly 40% by volume of the approved projects fell under platform accountability research and litigation, allowing DFF to allocate earmarked funding to those applications and have more flexible use of unrestricted funding for operational and Community Strengthening and Support (CSS) spending. We also took further steps towards transforming our grantmaking, publicising our goals and aspirations based on the outcomes of an external report that we commissioned to get recommendations for further transforming our grantmaking. Implementing the first of the recommendations, we launched post-litigation support in our second call for grant applications in 2023. We also continue to update our case study page with new cases and case updates and completed a revision of the page in early 2023 to install a more advanced and user-friendly filter and search function.

One of the main operational goals for CSS in 2023 was to deepen collaboration between the different CSS work streams. In 2023, there were four distinct work streams with different project managers:

- Community Strengthening and Support (core programme)
- Racial and Social Justice (Decolonising the Digital Rights Field and Digital Rights for All)

Stichting Digital Freedom Fund
Amsterdam

- DIGIRISE
- Evidence Gathering

The main approach adopted to better coordinate work was co-organisation of workshops and other activities on intersectional topics such as platform workers/platform accountability and collective redress. This led to collaboration on three activities across programme, a trend set to continue in 2024. These collaborations rather than doing separate events allows DFF to better leverage and pool resources between programmes to spend less time to produce bigger and better impact.

All four workstreams executed all planned activities resulting in the highest volume of CSS activities in a single year to date. We hosted eight well-received community strengthening and support events. A decolonising programme to support and sustain a digital justice ecosystem in Europe was completed and the groundwork for the foundation of a new entity named 'Weaving Liberation' was also put into place. DIGIRISE completed the first of the two-year programme on schedule, and the Evidence Gathering Initiative concluded with a capstone event and published report with recommendations.

While having the busiest year ever, DFF has also been hard at work internally, attempting to build an anti-oppressive work culture especially through collective decision making. After reducing to a 4.5-day workweek in 2022, DFF piloted and adopted a permanent 4-day workweek. After choosing to become a fully remote organisation in 2022, we took further steps to make our employment conditions more flexible and provide staff with support for home office, co-working and other work-related costs that have arisen from moving to remote working. More flexible working conditions have allowed for staff to relocate for personal reasons, resulted in more diverse candidates for open positions, and led to the recruitment of more staff based outside of Germany or even the Europe Union. As some bit of proof of the improving employment conditions, DFF saw zero turnover in permanent staff.

DFF also made it a high priority to rework its salary structure in 2023. The collective process to revise the salary structure led to deep discussion amongst staff that resulted in a proposal for a complete compensation reform. Seeing that the work was too great for one year, the process was split into two phases. The first phase that took place from July to December 2023 focused on the establishment of a baseline living wage and compensation package as well as breaking down all the roles in the organisation into components and establishing a relation between each component and compensation. The second phase set to take place in the first half of 2024 will build on top phase I and examine the role we think social justice factors should plan in compensation.

In light of the salary structure revision, there was a natural reflection on the hierarchy that underpins the salary structure. To facilitate discussions on hierarchy and overcome some of the power dynamics involved, an external organisational development expert well versed in anti-oppressive work, collective decision-making and distributed leadership models was engaged. One outcome of this journey was the decision in 2023 to refit our leadership structure and approach, moving from a single director model to a distributed leadership approach. Mauricio Lazala Leibovich chose to create space to transition into this new model by stepping down as DFF's Director in December 2023. DFF will be finalising a new collective leadership model, which we expect to announce in the first quarter of 2024.

1.2.1 Community Strengthening and Support

The CSS core programme kicked off the year with the first in-person strategy meeting since 2020. The sixth annual strategy meeting took place in March 2023 with around 70 participants from a diverse range of organisations in attendance. We had multiple sessions on topics ranging from unlawful handling of bulk communications to digital environmental justice, and from private technological infrastructures for the public sector to decolonising the digital rights field. Skills-sharing sessions included good leadership and management, tech resources, communications strategies, algorithmic auditing, and campaigning and

Stichting Digital Freedom Fund
Amsterdam

coalition building. Key takeaways included the value of continued collaboration and the importance of an intersectional approach. The first day ended with a keynote presentation by Professor Tendayi Achime around the topic of racial discrimination and digital technologies.

The CSS core programme organised two other workshops focused on holding large tech platforms accountable: Legal Avenues for Platform Accountability Workshop in Barcelona and a workshop in collaboration with the Racial and Social Justice team for Platform Workers in Lisbon. In September, the team also coordinated with the local organisation Homo Digitalis to host our fifth strategic litigation retreat in Athens. This retreat brought together 14 different people from across Europe taking or planning litigation related to platform accountability and collective redress to workshop cases and strengthen litigation skills.

The Racial and Social Justice team was also extremely busy in 2023, organising two additional workshops in addition to the Platform Workers workshop in coordination with external project partners and working on much needed resources such as the Digital Policing Toolkit (forthcoming publication in early 2024). The second phase of the Decolonising the Digital Rights Field process successfully concluded in 2023 with the preparation and launch of the visually dazzling and solid in content Decolonising Blueprint and the concrete programme for phase III that imagines what shape the future of decolonising the digital rights field will take. The programme naturally serves as the basis for the next fundraising round that was already well underway at the end of 2023. In phase III, the decolonising programme will be transformed into an entity housed within DFF called “Weaving Liberation”. This, again, was only possible due to additional flexible funding from dedicated funders to allow the participants in the decolonising process to dream big and visually.

Work on the European Commission project “Developing Information, Guidance, and Interconnectedness for (digital) Charter Rights Integration in Strategies for Enforcement - DIGIRISE” got fully underway in 2023 and the first of two years of the project ended in November 2023. We have delivered all the first year deliverables and work on the second year of the jam-packed programme is already underway. In the first year, we produced an essay series and coordinated two workshops: one on the opportunities and challenges of utilising the EU Charter in May, and a second workshop on best practices for utilising the EU Charter in digital rights litigation in November. Finally, we closed 2023 with an online speakers series, including seven sessions on lessons about collective redress from around the globe co-produced with the core CSS team and with support from the racial and social justice team, and three sessions exploring concrete cases where the EU Charter of fundamental rights was utilised to protect digital rights at a national, cross-jurisdictional or EU level. Heading into 2024, DFF has already begun laying the groundwork for another intense year of deliverables.

Finally, the Evidence Gathering ended in mid 2023. DFF launched the Evidence Gathering initiative in 2022 to bring together legal experts and tech-centred activists to work together on platform accountability. The final capstone Evidence Gathering event took place in June 2023, which focused on five solution areas that emerged through this project as important next steps for enhancing the existing technical evidence gathering landscape in Europe. The five areas identified were (i) the development of educational tools to help litigators understand and use technology; (ii) establishing a trusted community of practice between technologists and litigators; (iii) creating a data management system for evidence storage and sharing; (iv) establishing a human and user-centred approach; and (v) knowledge hub which combines several of the other solution areas into one. In September, we published a report on the role of technologists in evidence gathering for cases and how we can improve the collection, storage, maintenance and sharing of information and evidence.

1.2.2 Litigation Support - Grantmaking

We achieved a major milestone in 2023, approving our 100th grant. We ran two calls for grant applications in 2023, approving 23 applications in total, worth EUR 818,842 (2022: 19 projects worth 816,975).

Stichting Digital Freedom Fund
Amsterdam

Of the 23 projects, 10 are for litigation track support, providing funding for up to 27 instances of litigation; 12 are for pre-litigation research and 1 was a post-litigation project. EUR 678,918 of this was contracted in 2023 for current instances (2022: EUR 739,228) while a provision for future instances in the value of EUR 70,138 was placed in the Litigation Track Support Reserve in accordance with DFF's Litigation Track Support Reserve and Grant Financial Management Policy and Procedure. The immediately contracted plus the provision set aside in the Litigation Track Support Reserve result in a commitment of EUR 749,056 of funds to grantmaking in 2023 from a budget of EUR 750,000 budget available.

The volume of approved applications (EUR 818,842) is higher than the committed funds of EUR 745,411. This is due to the uncertainty of future instances and the benefits gained from the Litigation Track Support Reserve model used to provision for future instances. With all calls for grant applications oversubscribed with far more viable applications than grantmaking budget, we will continue to strongly pursue additional funding for grantmaking.

Up to 31.12.2023, 38 individual/single instance grants of DFF-supported litigation and 14 pre-litigation research grants have been completed. However, in most cases our support does not end after the completion of one instance, or one grant. Many projects are ongoing, and we continue to support them through our litigation track support model. For example, eight litigation projects we are supporting have received a decision in at least one instance but have been appealed and are ongoing. Only 16 DFF-supported litigation projects have received a final judgement and have completely ended. Of these cases, twelve at least partially achieved their objectives, while four were unsuccessful.

Additionally, six completed pre-litigation research support projects have then received litigation funding from us afterwards. As of January 2024, 42 DFF-supported cases and 19 pre-litigation research projects are ongoing.

Supported project impact in 2023

Most recently, in November 2023, a district court in Slovakia made a ground-breaking decision for Romani rights in Slovakia, ruling that the Slovakia government had discriminated against the plaintiff, a Romani girl from a marginalised community, in access to education on the grounds of her social origin, property, and Romani ethnic origin, and had also violated her right to access to information. The lawsuit had been filed in 2022, supported by the Center for Civil and Human Rights, arguing that Roma children were disadvantaged by a move to online distance learning during the COVID-19 pandemic. The courts agreed, ruling that the government had failed to take appropriate measures, including the provision of access to the internet and digital technologies, to ensure equal access to education during the interruption of full-time education during the Covid-19 pandemic.

In September, the Norwegian Privacy Appeals Board announced that it upheld the Norwegian Data Protection Authority's fine of NOK 65 million (approximately €5.8 million) against Grindr, the highest fine that the authority has ever imposed. In early 2022, Grindr had filed an appeal against the DPA's decision, and DFF funding supported the Norwegian Consumer Council and noyb to intervene in the case and ensure the decision was upheld.

In August, LGBTQI+ rights organisation, Kaos GL had success in Turkey, with the LGBTQI+ dating site Gabile, which had been blocked, being made accessible again following the filing of a lawsuit by Kaos GL. Another similar case is ongoing, pushing for the lifting of a ban on LGBTQI+ dating app, Hornet.

In April, a court in Amsterdam found in favour of workers and against Uber and Ola Cabs in a case coordinated by Worker Info Exchange. Among other rulings, the court ordered Uber and Ola Cabs to provide information to workers on automated decision making relating to work allocation and fares including dynamic pay and pricing. The deadline for appeals has passed and so the ruling stands.

Stichting Digital Freedom Fund
Amsterdam

In January 2023, in litigation bought by Liberty and Privacy International, a UK tribunal found that there were “very serious failings” at the highest levels of MI5 - British secret service, and that they had unlawfully handled individuals’ private data. In August 2023, in another case led by Liberty challenging the UK Investigatory Powers Act, the Court of Appeal handed down its judgment, upholding Liberty’s argument that the regime for sharing material from bulk personal datasets with overseas states is unlawful. As a result, the UK Government has issued a public statement on the safeguards around sharing bulk personal datasets to make the regime compliant. Unfortunately, the Court of Appeal ruled against Liberty’s arguments on several other grounds, including on legal protections given to journalists. Liberty is now planning further appeals to the Supreme Court and/or the European Court of Human Rights and has requested further funding from DFF to support this.

Two pre-litigation research projects ended and moved to litigation: Association Taxi Project are now planning a competition law complaint against ride-sharing companies in Spain for fixing prices through algorithms, and Victim Advocates International filed a claim at the Irish High Court seeking accountability from Meta for their role in the genocide of the Rohingya in Myanmar. Additionally, following the filing of a complaint to the Italian data protection authority, AI Forensics launched a public campaign about exploitative data practices of porn platforms, like Pornhub, and in preparation for litigation, La Quadrature du Net published their analysis of the scoring algorithm used in the French welfare system.

1.3 Financial policy and financial results

In 2023, we expanded Finance with the addition of a part-time Finance Officer. This additional allowed for several efficiency gains. First, all the daily contracting and invoice processing was transferred to the new role, freeing up the Finance Manager’s time to focus on strategic finance and policy. Secondly, the additional of a second person in the section allowed DFF to bring processing of financial administration in-house. This was a twofold efficiency gain, since the Finance Officer is much more familiar with the administration than an external accounting firm resulting in fewer errors and faster, more flexible processing. This, in turn, allowed us to reduce our net cost of accounting and financial administration while giving us more control over the process. DFF still continues to engage an accountant for periodic controls and annual account preparation.

Total organisational spending including financial gains/losses was EUR 2.15 million (2022: 1.77 million; 2021: EUR 1.36 million). Activities expanded at about the same pace in 2023 as they did in 2022, resulting in a 22% increase in overall spending. The increase in spending was led by CSS activities which increased a whopping 48% thanks to the full return to in-person events and to the launch of the DIGIRISE project. Activities were largely on budget, with most of the variation caused by the scaling back of the decolonising and blueprint launch. Originally a festival was planned, but due to several factors out of DFF and EDRI’s control, the decision was taken to cancel the festival and instead hold a number of smaller scale events to celebrate the completion of phase II. The other variation in activity spending is due to a distortion caused by the funding set aside in the Litigation Track Support reserve for future instances. Although this funding was allocated, the Litigation Track Support Reserve is an off-balance sheet item and does not reflecting in the activities in the profit and loss.

DFF’s funding base remained relatively stable in 2023. Fresh funding was received from OSF, Robert Bosch Foundation, Luminate and Mozilla with several other multi-year contracts running until the end of 2024 or early 2025. Sigirid Rausing Trust has reformulated its strategy and reduced the number of grantees. At the end of 2023, Sigrid Rausing Trust informed DFF that it is one of many grantees affected by the reduction in grantees and will not be renewing support. Isocrates Foundation (previously Nicolas Puech Foundation, currently in dissolution) has a living donor who has informed the foundation that he wishes to cancel

Stichting Digital Freedom Fund
Amsterdam

the contract of inheritance and dissolve the foundation¹. The Foundation will honour the commitment to DFF which runs through the end of 2024, but all grantmaking at the foundation is frozen until the legal dispute is resolved.

The grantmaking budget of EUR 750,000 was fully committed to 23 projects. After the netting out of cancelled projects, there was a net result of EUR 672,837 grants contracted in 2022 (2022: EUR 607,629) with an additional EUR 70,138 being set aside for future instances (EUR 36,733 in 2022; total reserve level as of 31.12.2023: EUR 410,886). This is the highest volume of grantmaking in a single year that DFF has ever achieved. Grantmaking's proportion of spending before financial gains totalled 32%, (2022: 36%). After consideration of the funds committed to the Litigation Track Support Reserve for future instances, the ratio is 35%, within the target range of 35-50%.

CSS spending increased strongly for a second year in a row. Total CSS spending came to EUR 537,868 (2022: EUR 364,047). The expansion in activities was on the back of the growth that already took place in 2022 and the stability in staffing. CSS activities accounted for 25% of total spending before financial gains and (2022: 21%) or 24% when the Litigation Track Support Reserve contribution is factored in. Even after two years of strong growth compared to other cost categories, the ratio remains within the ratio target of 15% to 30% of total spending.

Operating expenses increased in 2023 but were below budget. Operational spending was below budget due to underspending in all categories except finance and administration which was on target. Pressure on operating cost growth was reduced by the cancellation of the permanent office contract, hiring of staff outside of Germany and lower spending on legal advisory. Operating expenses totalled EUR 915,429 (2022: EUR 756,489). This represents a controlled year-on-year growth in operational spending in relation to the expansion in activities spending. The operating ratio remained steady at 43% (2022: 43%) but was lower when the contribution to the Litigation Track Support Reserve contribution was considered, coming down to 41%. Therefore, with the increase in grantmaking and CSS activities has balanced out the investment made in DFF's operating structure during the transition in 2021 and 2022, bringing the operating ratio back below the 42% threshold and into equilibrium.

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. The foreign exchange losses were higher than expected since more funding tranches were received in 2023 than expected. However, the USD-EUR exchange rate was very favourable throughout 2023, resulting in more purchasing power in EUR. Therefore income received in USD has gone a bit further than originally projected.

Besides foreign currency losses and gains, the other major portion of financial losses and gains is interest expenses and income. In a reverse of 2021 and 2022, negative interest was no longer charged over bank balances in 2023 (2022: EUR 9,201; 2021: EUR 23,097). Interest income was EUR 28,723 in 2023 which largely offset foreign exchange losses, leading to a total financial expenses of only EUR 7,228 (2022: EUR 27,702), well below the budgeted EUR 25,000.

At the close of 2023, DFF's balance sheet positions were satisfactory with no significant changes in structure. DFF's total balance sheet remained relatively stable in 2023 and stood at 3.8 million (31.12.2022: EUR 3.0 million in assets). This increase despite high spending is due to the receipt of additional tranches and some tie-off funding in 2023 for future periods. 98% 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 690,647 (31.12.2022 EUR 700,916). Deferred grants from donors increased from EUR 2.0 million to EUR 2.7 million as large tranches of funding were received. With no physical business premises, fixed assets remain minimal. Other liabilities are minimal with the accounts payable consisting primarily of reservations for costs associated with the 2022 financial report.

¹ <https://isocrates.org/wp-content/uploads/Statement-1er-decembre-EN.pdf>

Stichting Digital Freedom Fund
Amsterdam

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. After maintaining reserves in 2021, the Operating Reserve Policy was updated in 2022 at the request of the Board. Since DFF is a grantmaking organisation, the Board found to account for coverage of a wind down scenario. A plan was put into place to build up to the new operating reserve target by the end of 2023. With the constitution of an additional EUR 100,000 in reserves, we have now come into compliance with the new target by reach an operating reserve level of EUR 302,499 (2022: EUR 66,400 in reserves constituted; 31.12.2022 operating reserve balance 202,499).

Besides the operating reserve, there are the funds DFF sets aside off-balance sheet for future litigation instances not yet contracted. These funds represent a large portion of the cash on hand. These funds accounted for EUR 410,886 (2022: EUR 340,748) of liquid assets. Together, these funds and the operating reserve account for a 19% (2023: 18%) of total liabilities.

1.4 Governance

Mauricio Lazala Leibovich announced his resignation at the end of 2023. DFF recruited two part-time staff in 2023 according to plan and ended the year with eight full-time staff, two part-time staff, one project consultant and one intern. With Mauricio's departure, we expect staffing and FTE to remain stable, as part time staff take up more hours and project/temporary roles are converted into permanent roles in the new distributed leadership model.

One Board member's term ended in 2023. DFF recruited an additional Board member. Therefore, board membership currently remains at seven directors. Costs related to carrying out Board duties, such as travel and accommodation, are covered by DFF. DFF amended its statutes to also allow Board members to receive token compensation for their volunteer activities as allowed under Dutch law.

Board of directors :

Chair : Sarah Diedro, Consultant

Treasurer : Jiefan Hsu, Independent Finance Consultant

Secretary : Björn van Roozendaal, team manager at OSF

Member : Rupert Skilbeck, Director at Redress

Member : Karmen Turk, Litigation Attorney and Partner at Pan-Baltic TRINITI

Member : Audrey Gaughran, Executive Director at Centre for Research on Multinational Corporations

Member : Joan Monic Steijns, term began on 1.10.2023

Member : Nicole Rose Nieman, resigned in 2023 upon completion of term

Stichting Digital Freedom Fund
Amsterdam

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.

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 DFF's Leadership. 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/Risk Committee.

1.5 Communication with stakeholders

As an organisation with a clear objective to facilitate coordination amongst actors in the digital rights community, all DFF's activities revolve around continually engaging digital rights stakeholders. All CSS activities explicitly involve bringing actors in the community together for dialogue and strategic cooperation. DFF now has one full-time and one part-time communication roles to support in engaging our stakeholders.

DFF continues to centre the community in the strategy process. DFF's strategy process is a systematic exercise in communication with the digital rights and other affected communities. DFF invests considerable resources in strategic activities to ensure maximum effectiveness of its activities. Besides the annual strategy meeting, other activities offer a forum for dialogue with DFF and to connect actors in the field, such as thematic litigation events and workshops. We continue to strive to further integrate activities so that all workflow areas within CSS and grantmaking are aligned under the strategy and can be clearly communicating to DFF's network in a transparent manner.

Stichting Digital Freedom Fund
Amsterdam

1.6 Expected course of events in 2024

Entering 2024, we expect moderate growth in all areas of activity. The 2024 budget is already fully secured providing a high degree of certainty on what activities will be taking place. DFF has three on-going long-term CSS projects:

- DFF's cooperation with Luminate on platform accountability and collective redress
- DIGIRISE programme
- Weaving Liberation (previously "*Decolonising the Digital Rights Field*")

2024 is expected to be the busiest year at DFF yet as staff focus on these three programmes and grantmaking. We will hold at least two calls for grant applications, with a budget of around EUR 800,000 in total to be granted in 2024. The first call of the year will close in February 2024. The second call will open around the middle of the year. With recommendations in hand for how DFF can decolonise its grantmaking, we will take the first steps in the process of making reforms. This process will likely involve both adapting requirements as well as piloting new, more flexible funding models. At least seven events are to take place in 2024 beginning with the Annual Strategy Meeting in March. Events are planned on hot digital rights topics such as digital policing, movement lawyering, migration, and collective redress. The DIGIRISE programme will also be producing several deliverables heavy in substantive content, such as mapping and compare-and-contrast country analysis reports on existing judicial pathways and collective redress.

Weaving Liberation will commence implementation of the decolonising programme developed in 2023 by the peer working group. The leaders of the programme will also have their work cut out for them with ambitious fundraising goals and laying the groundwork for the programme to establish itself as a separate entity in the two-to-three-year time horizon. In preparation of the creation of a separate entity, DFF and Weaving Liberation will develop a memorandum of understanding in early 2024 to guide sharing of resources and fundraising. As a second step, we are planning to segregate Weaving Liberation's financials from 2025 onward.

Fundraising always a major topic, fundraising efforts will be focus on 2025 and beyond since the full programme for 2024 has already been secured. DFF has several core grants up for renewal in 2024 and 2025. To further diversify and replenish DFF's funding base, DFF will recalibrate its fundraising approach in 2024. We will significantly improve our approach by moving away from over reliance on one or two individuals to a team wide effort. Fundraising tasks and responsibilities will be clearly designated and compensated to align staff interests with the long-term sustainability of the organisation. The Development Officer who joined the team in late 2023 is already hard at work coordinating the work on several applications and a concrete fundraising strategy. The fundraising strategy exercise will revisit the funding landscape and where donors stand on DFF's priorities areas and determine where priorities overlap most with donors.

On the operational side, we will be focusing on staff retention. Our internal priority in the first half of 2024 is to finalise and begin implementing our new leadership and decision-making model. We have a final series of workshops in January and February with the organisational development expert coaching us in the process. In the meantime, a transition leadership team consisting of five staff was formed in close cooperation with the Board. The transition leadership team has taken over the executive tasks at DFF in an official capacity till the new leadership model is finalised. The model is expected to be finalised no later than May. Soon after, our annual team retreat will take place. The retreat will be an important space to gather and reflect on how the new leadership model is working and consider adjustments. Finally, in the later half of the year, the team will be able to reflect on existing gaps in capacity and will consider if another permanent role is necessary under the new model.

The planned 2024 activities result in a total annual organisational budget before financial losses/gains including tentative activities of EUR 2.6 million. The realisation of all activities will result in an increase in spending of approximately EUR 480,000,

Stichting Digital Freedom Fund
Amsterdam

a similar level of growth as was achieved in 2023. This increase is expected to again be well distributed between grantmaking, CSS and operating costs, maintaining the operating ratios within target range. These are incredibly ambitious plans, but the DFF team has already built the operational capacity and established the relationships with partners to carry out these programmes.

Budget Summary

	<u>2024</u> <u>Budget</u>	<u>2023 actual</u> <u>spending</u>	<u>2023</u> <u>Budget</u>	<u>2022 actual</u> <u>spending</u>
Income	€ 2,710,417	€ 2,248,664	€ 2,710,306	€ 1,833,738
Grantmaking	€ 823,000	€ 688,139	€ 764,550	€ 619,100
CSS activities	€ 783,506	€ 537,868	€ 770,789	€ 364,047
Operating costs	€ 1,035,328	€ 915,429	€ 1,030,991	€ 756,539
<u>Sub-total</u>	<u>€ 2,641,834</u>	<u>€ 2,141,436</u>	<u>€ 2,566,330</u>	<u>€ 1,739,687</u>
Contingency	€ 35,491	€ -	€ 33,976	€ -
Financial gains/losses	€ -12,000	€ -7,228	€ -25,000	€ -27,650
<u>Result</u>	<u>€ 21,092</u>	<u>€ 100,000</u>	<u>€ 85,000</u>	<u>€ 66,401</u>

1.7 Social aspects

As a non-for-profit human rights organisation, DFF is strongly grounded in social responsibility. With no profit motive, DFF is focused on protecting all 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 strives to be an employer of choice. After adopting a 4.5 day work week and seeing no drops in productivity, DFF piloted and adopted a four-day work week in 2023. Large investments were also made in the salary structure and leadership model processes to empower staff, increase employee satisfaction and reduce staff turnover to a minimum. DFF now has fully transparent compensation and provides several additional social benefits, such as voluntary private pension contributions, communication subsidy, home-office equipment subsidy, childcare allowance and development training. We offer maximum flexibility in working hours and location. DFF will take this to the next level in 2024 with the creation of a staff well-being role. DFF will continue to listen to staff needs and concerns to shape human resource policy to provide excellent working conditions.

Stichting Digital Freedom Fund
Amsterdam

On behalf of the Board of Digital Freedom Fund,

DocuSigned by:
Darrak Hassell
C1B85FD26738490...
Darrak Hassell
Co-Director

DocuSigned by:
Sarah Diedro
1AB763FB53994BB...
Sarah Diedro
Chair

DocuSigned by:
Nikita Kekana
8DDD2156CBB1D424...
Nikita Kekana
Co-Director

Amsterdam, 18 July 2024

Stichting Digital Freedom Fund
Amsterdam

2. 2023 FINANCIAL STATEMENTS

Stichting Digital Freedom Fund
Amsterdam

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

ASSETS		31-12-2023	31-12-2022
		€	€
<u>Non-current assets</u>			
Equipment	2.5.1	13,078	12,184
		<u>13,078</u>	<u>12,184</u>
		-----	-----
<u>Current assets</u>			
Receivables	2.5.2		
Accrued assets		8,186	464
Other current assets		37,384	3,971
		<u>45,570</u>	<u>4,435</u>
		-----	-----
Cash and cash equivalents	2.5.3	3,747,409	2,974,901
		-----	-----
Total assets		<u>3,806,057</u>	<u>2,991,520</u>
		-----	-----

Stichting Digital Freedom Fund
Amsterdam

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

LIABILITIES		31-12-2023	31-12-2022
		€	€
<u>Reserves and funds</u>	2.5.4		
Reserves			
Continuity reserve		302,499	202,499
		<u>302,499</u>	<u>202,499</u>
		-----	-----
<u>Current liabilities</u>	2.5.5		
Accounts payable		62,402	2,331
Taxes and social securities		1,787	929
Other current liabilities		3,376,046	2,739,870
Other accruals		63,323	45,891
		<u>3,503,558</u>	<u>2,789,021</u>
		-----	-----
Total liabilities		<u>3,806,057</u>	<u>2,991,520</u>
		-----	-----

Stichting Digital Freedom Fund
Amsterdam

2.2 Statement of income and expenditure

	Actual 2023	<i>Budget</i> 2023	Actual 2022
	€	€	€
<u>INCOME GRANT GIVERS</u>			
2.6			
Income from other non-profit organisations	2,109,515	2,710,308	1,825,715
Income from governments	139,149	-	5,151
Income from companies	-	-	2,872
Total income	2,248,664	2,710,308	1,833,738
	<hr/>	<hr/>	<hr/>
<u>EXPENSES</u>			
Direct external project costs			
2.7.1			
Grantmaking	688,139	764,550	619,101
CSS - Skill building, knowledge building and networking	238,914	329,996	138,745
CSS - Racial & social justice	179,726	307,060	219,579
CSS - EU DIGIRISE	119,228	133,734	5,723
	<hr/>	<hr/>	<hr/>
	1,226,007	1,535,340	983,148
	-----	-----	-----
Operating expenses			
2.7.2-2.7.9			
Staff costs	769,027	816,812	624,390
Office costs	36,926	83,280	47,234
Finance, legal and administration	50,310	44,000	43,492
Travel and accommodation	17,300	28,000	5,482
Governance	15,454	19,500	6,721
Other operational costs	11,646	17,200	10,587
Monitoring & evaluation	2,678	15,000	8,149
General costs	12,088	7,200	10,484
	<hr/>	<hr/>	<hr/>
	915,429	1,030,992	756,539
	<hr/>	<hr/>	<hr/>
Total expenses	2,141,436	2,566,332	1,739,687
	<hr/>	<hr/>	<hr/>
Balance before financial income and expense	107,228	143,976	94,051
	<hr/>	<hr/>	<hr/>

Stichting Digital Freedom Fund
Amsterdam

2.2 Statement of income and expenditure (continued)

		Actual 2023	<i>Budget</i> 2023	Actual 2022
		€	€	€
Financial income and expense	2.7.10	-7,228	-58,976	-27,650
Balance of income and expenses		<u>100,000</u>	<u>85,000</u>	<u>66,401</u>

2.2.2 Result appropriation

Additions to:

Continuity reserve	100,000	85,000	66,401
Total	<u>100,000</u>	<u>85,000</u>	<u>66,401</u>

Stichting Digital Freedom Fund
Amsterdam

2.3 Cash Flow Statement

	2023	2022
	€	€
Cash flow from operational activities		
Total income	2,248,664	1,833,738
Total expenses	2,141,436	1,739,687
Income less expenses	107,228	94,051
Depreciation	4,337	2,053
Cash flow	111,565	96,104
	-----	-----
Movements in:		
Receivables	-41,135	3,615
Accounts payable	60,071	-78,944
Other current liabilities	654,466	565,790
	673,402	490,461
	-----	-----
Total cash flow from operational activities	784,967	586,565
	-----	-----
Cash flow from investing activities		
Investments in equipment	-5,231	-6,469
Divestments in equipment	-	2,444
	-----	-----
Total cash flow from investing activities	-5,231	-4,025
	-----	-----
Cash flow from financing activities		
Exchange differences	-7,228	-27,650
	-----	-----
Total cash flow from investment activities	-7,228	-27,650
	-----	-----
Total cash flow	772,508	554,890
	-----	-----

Stichting Digital Freedom Fund
Amsterdam

2.3 Cash Flow Statement (continued)

	2023	2022
	€	€
Balance of Cash and cash equivalents as at beginning of	2,974,901	2,420,011
Total cash flow	772,508	554,890
Balance of Cash and cash equivalents as at year-end	3,747,409	2,974,901

Stichting Digital Freedom Fund
Amsterdam

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 2023 to 31 December 2023.

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.

2.4 Principles of valuation and determination of the result (continued)

2.4.7 Income

Income consists of all income attributable to the year under review.

Stichting Digital Freedom Fund
Amsterdam

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.

Stichting Digital Freedom Fund
Amsterdam

2.5 Notes to the balance sheet as at 31 December 2023

ASSETS

NON-CURRENT ASSETS

2.5.1 Equipment

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

	Equipment 2023	Equipment 2022
	€	€
Balance at 1 January		
Historical cost	18,167	14,142
Cumulative depreciation	-5,983	-3,930
	<u>12,184</u>	<u>10,212</u>
Movements in financial year		
Investments	5,231	6,469
Divestments	-	-2,444
Depreciation	-4,337	-3,375
Depreciation divestments	-	1,322
	<u>894</u>	<u>1,972</u>
Historical cost	23,398	18,167
Cumulative depreciation	-10,320	-5,983
Balance at 31 December	<u>13,078</u>	<u>12,184</u>

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

Equipment	20 %
-----------	------

Stichting Digital Freedom Fund
Amsterdam

2.5 Notes to the balance sheet (continued)

	31-12-2023	31-12-2022
	€	€
CURRENT ASSETS		
<u>2.5.2 Receivables</u>		
Accrued assets		
Prepaid accommodation costs	385	-
Prepaid office expenses	422	341
Prepaid general expenses	1,862	123
Prepaid direct costs	5,517	-
Balance as at 31 December	<u>8,186</u>	<u>464</u>
Other current assets		
Deposit	9,615	3,971
Deferred grants	1,974	-
Amounts to be received	25,795	-
Balance as at 31 December	<u>37,384</u>	<u>3,971</u>
<u>2.5.3 Cash and cash equivalents</u>		
Current account ABN AMRO .053	1,838	67,400
Savings account ABN AMRO bank .088	783,938	16,200
Current account ABN AMRO bank .096	1,002,750	1,382,250
Dollar account ABN AMRO .867	456,304	1,424
Triodos .350	26,194	28,647
Triodos .308	1,479,121	1,478,998
Cash	180	139
Creditcard	-2,916	-157
Balance as at 31 December	<u>3,747,409</u>	<u>2,974,901</u>

Cash balances are directly available.

The balance of the US dollar account in US dollar as at 31 December 2023 is USD 504,216.

Stichting Digital Freedom Fund
Amsterdam

2.5 Notes to the balance sheet (continued)

2.5.4 Reserves and funds

	2023	2022
	€	€
<u>Reserves</u>		
Continuity reserves		
Balance as at 1 January	202,499	136,098
Increase due to appropriation of result	100,000	66,401
Balance as at 31 December	<u>302,499</u>	<u>202,499</u>

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

	31-12-2023	31-12-2022
	€	€
<u>2.5.5 Current liabilities</u>		
Accounts payables	62,402	2,331
Balance as at 31 December	<u>62,402</u>	<u>2,331</u>
Taxes and social securities	1,787	929
Balance as at 31 December	<u>1,787</u>	<u>929</u>
Other current liabilities		
Deferred grants	2,685,399	2,038,954
Grants to be paid	690,647	700,916
Balance as at 31 December	<u>3,376,046</u>	<u>2,739,870</u>

Stichting Digital Freedom Fund
Amsterdam

2.5 Notes to the balance sheet (continued)

	31-12-2023	31-12-2022
	€	€
Other accruals		
Vacation days' reserve	17,404	18,865
Net salary to be paid	15,393	-
Accrued personnel costs	690	-
Accrued office costs	-	195
Accrued banking costs	38	43
Accrued general costs	26,558	25,393
Accrued direct costs	3,240	1,395
Balance as at 31 December	<u>63,323</u>	<u>45,891</u>

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

Conditional obligations (grantmaking)

DFF's litigation finance is given in the form of Litigation Track Support, grants that support long-term litigation projects through all litigation instances. These projects can consist of only one single instance or 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 2023, DFF has seventeen active litigation track support framework agreements with uncontracted amounts. Those frameworks contain provision for up to 64 litigation instances with 41 instances already contracted and underway, leaving 23 potential instances with an estimated cost of EUR 454,001 to be contracted if earlier instances are unsuccessful.

Grants

Funds still to be received in 2024:

- \$ 275,000 (total funding of \$ 800,000 unrestricted)
- € 250,000 (total funding of € 750,000 unrestricted)
- € 100,000 (total funding of € 300,000 unrestricted)
- € 80,250 (total funding of € 160,500 unrestricted)
- \$ 365,455 (total funding of \$ 1,365,455 restricted)
- € 120,000 (total funding of € 360,000 restricted)
- € 237,249 (total funding of € 395,415 restricted)
- \$ 20,000 (total funding of \$ 100,000 restricted)
- \$ 68,800 (total funding of \$ 268,800 restricted)

Stichting Digital Freedom Fund
Amsterdam

2.5 Notes to the balance sheet (continued)

Rental obligation

Digital Freedom Fund cancelled the rental of the property located at Oranienstraße 183 in Berlin. DFF no longer maintains an office space.

Stichting Digital Freedom Fund
Amsterdam

2.6 Notes to income

	Actual 2023	Budget 2023	Actual 2022
	€	€	€
INCOME GRANT GIVERS			
<u>2.6.1 Income from other non-profit organisations</u>			
Organisational support (restricted core funding)	516,473	-	826,368
Core (unrestricted core funding)	905,864	-	619,496
Project funding	687,178	-	379,851
Funder organisations		2,710,306	-
	<u>2,109,515</u>	<u>2,710,306</u>	<u>1,825,715</u>

In 2023, 10 grants for the purpose of core and organisational support were received or on-going and are largely structural. The period of these contracts vary from one year to three year. 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 contracts ended in 2023.

Nine grants were received or ongoing for specific projects. Three of these contracts ended in 2023 while six will continue into 2023. Of the five project contracts extending into 2023, three are long-term projects that extend into 2025.

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

2.6.2 Income from governments

EU Horizon programme	139,149	-	5,151
	<u>139,149</u>	<u>-</u>	<u>5,151</u>

2.6.3 Income from companies

Dentons Europe	-	-	2,872
	<u>-</u>	<u>-</u>	<u>2,872</u>

In 2022, pro bono legal advisory services were received from the law firm Dentons Europe. The value of these services was € 2,872 which has been accounted for as income and costs.

Stichting Digital Freedom Fund
Amsterdam

2.7 Notes to expenses

	Actual 2023	Budget 2023	Actual 2022
	€	€	€

2.7.1 Direct external project costs

Grantmaking

Grant communications	1,696	6,050	-
Honorarium grants	6,600	2,000	4,000
Grant management software	4,570	6,500	7,472
Grants (given before 2021)	-	-	6,065
COVID-19 litigation grants	-6,082	-	-137,664
Litigation track support grants	681,355	750,000	739,228
	<u>688,139</u>	<u>764,550</u>	<u>619,101</u>

CSS - Skill building, knowledge building and networking

Annual strategy meeting	93,344	71,850	22,596
Partners' meetings	5,145		56,485
Evidence gathering	61,454	120,246	58,464
Platform accountability	78,362	96,400	-
Mental Health Workshop	-	35,000	-
DFF travel to CSS events	609	6,500	1,200
	<u>238,914</u>	<u>329,996</u>	<u>138,745</u>

CSS - Racial & Social Justice

Decolonising the digital rights field	108,106	219,060	160,659
Digital Rights for All	71,620	88,000	58,920
	<u>179,726</u>	<u>307,060</u>	<u>219,579</u>

Stichting Digital Freedom Fund
Amsterdam

2.7 Notes to expenses (continued)

	Actual 2023	<i>Budget</i> 2023	Actual 2022
	€	€	€
CSS - EU DIGIRISE			
WP 1 - Coordination and Administration	49,517	10,347	5,723
WP 2 - Essay Series and Workshops	52,637	69,368	-
WP 3 - Mapping Country Reports	3,364	35,000	-
WP 5 - Communications	13,710	19,019	-
DIGIRISE Coordinator consultant			
	<u>119,228</u>	<u>133,734</u>	<u>5,723</u>

Stichting Digital Freedom Fund
Amsterdam

2.7 Notes to expenses (continued)

	Actual 2023	Budget 2023	Actual 2022
	€	€	€
<u>Operating expenses</u>			
<u>2.7.2 Staff costs</u>			
The average number of employees, expressed in full-time employees, was as follows during the financial year 2023: 8.83 (2022: 8.0).			
Wages and salaries	504,541	517,412	401,143
Social security charges	63,760	88,643	47,627
Employers contribution to pension costs (voluntary)	43,694	51,741	36,016
Employers contribution to pension costs (mandatory)	47,076	49,672	38,588
Reservation holidays	-1,266	-	15,770
Employers contribution to reservation holidays	-195	-	3,096
Costs of outsourced work	52,434	57,400	42,699
Staff training	2,368	6,000	-
Transition consultancy	24,679	-	24,070
Other personnel costs	31,936	45,944	15,381
	<u>769,027</u>	<u>816,812</u>	<u>624,390</u>

Management remuneration

Explanation of management costs:

Name	Mauricio Lazala Leibovich
Function	Managing Director
<i>Employment:</i>	
Nature of contract	Indefinite
Weekly working hours	01 January - 31 January 2023: 36; 1 February - 31 Dec 2023: 32
Percentage	100%
Period	January 01, 2023 to December 31, 2023

Remuneration:

Total gross income	99,125
Pension insurance subsidy	7,008
Non-taxable payments	940
Pension contribution(employer)	<u>8,147</u>
Total management remuneration	115,220

As of December 2023, Mauricio Lazala Leibovich has stepped down as director at DFF and his contract will end on 31 March 2024.

Stichting Digital Freedom Fund
Amsterdam

2.7 Notes to expenses (continued)

Board member remuneration

According to DFF's statutes, members of the board can receive a honorarium or token amount in appreciation of their service of up to € 1,800 per year. In 2023 € 3,600 in honorarium were paid out to two Board members. An additional amount of € 1,469 was provided to the members of the board in expense reimbursement. No loans, advances or guarantees have been provided to board members or management.

	Actual 2023	<i>Budget</i> 2023	Actual 2022
	€	€	€
<u>2.7.3 Office costs</u>			
Office	13,612	29,280	24,559
IT	13,917	24,000	9,933
Communications	9,397	30,000	12,742
	<u>36,926</u>	<u>83,280</u>	<u>47,234</u>

2.7.4 Finance, legal and administration

Administration	30,308	23,000	20,692
Payroll	2,243	3,000	2,193
Banking	2,356	2,000	1,666
Accountant	15,403	16,000	14,000
Consultancy fundraising	-	-	4,941
	<u>50,310</u>	<u>44,000</u>	<u>43,492</u>

2.7.5 Travel

Staff travel & travel insurance	17,300	28,000	5,482
	<u>17,300</u>		<u>5,482</u>

2.7.6 Governance

Annual board meeting	11,404	10.500	3,969
Board expenses	4,050	9.000	975
Other related board expenses	-	-	1,777
	<u>15,454</u>	<u>19,500</u>	<u>6,721</u>

Stichting Digital Freedom Fund
Amsterdam

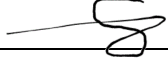
2.7 Notes to expenses (continued)

	Actual 2023	<i>Budget</i> 2023	Actual 2022
	€	€	€
<u>2.7.7 Other operational</u>			
Insurance	7,952	7,200	6,736
Legal advisory	3,694	10,000	3,851
	<u>11,646</u>	<u>17,200</u>	<u>10,587</u>
<u>2.7.8 Monitoring & evaluation</u>			
Monitoring & evaluation	2,678	15,000	8,149
	<u>2,678</u>	<u>15,000</u>	<u>8,149</u>
<u>2.7.9 General costs</u>			
Business relations	6,647	4,000	5,566
Professional literature	103	200	-
Depreciation inventory	4,337		3,375
Book loss inventory	-		342
Other office costs	1,001	3,000	1,201
	<u>12,088</u>	<u>7,200</u>	<u>10,484</u>
<u>2.7.10 Financial income & expense</u>			
Currency differences	35,947	25,000	18,731
Interest	-28,723	-	8,971
Contingency	-	33,976	-
Payment differences	4	-	-52
	<u>7,228</u>	<u>58,976</u>	<u>27,650</u>

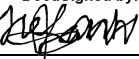
Stichting Digital Freedom Fund
Amsterdam

2.8 Signing by the Board


Adopted and approved at Amsterdam on 18 July 2024.

DocuSigned by:


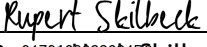
Sarah Dieiro
Chair

DocuSigned by:



Jieran Hu
Treasurer

DocuSigned by:


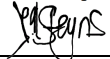
Björn van Roozendaal
Secretary

DocuSigned by:



Rupert Skilbeck
Member

DocuSigned by:


Karmen Turk
Member

DocuSigned by:


Joan Monic Steijns
Member

DocuSigned by:


Audrey Gaughran
Member

Stichting Digital Freedom Fund
Amsterdam

3. OTHER INFORMATION

Stichting Digital Freedom Fund
Amsterdam

3.1 Audit opinion

INDEPENDENT AUDITOR'S REPORT

To: the Board of Stichting Digital Freedom Fund

Report on the audit of the financial statements 2023 included in the annual report

Our opinion

We have audited the financial statements 2023 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 2023 and of its result for 2023 in accordance with the Guideline for annual reporting C1 'Kleine organisaties-zonder-winststreven' of the Dutch Accounting Standards Board.

The financial statements comprise:

1. the balance sheet as at 31 December 2023;
2. the statement of income and expenditure for 2023; 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 Digital Freedom Fund in accordance with the 'Verordening inzake de Onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

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

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 C1 'Kleine organisaties-zonder-winststreven' of the Dutch Accounting Standards Board.

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

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

The Board is responsible for the preparation of the management report and other information in accordance with the Guideline for annual reporting C1 'Kleine organisaties-zonder-winststreven' 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 C1 'Kleine organisaties-zonder-winststreven' 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.

Amersfoort, 15 July 2024

WITh Accountants B.V.

Digitaal ondertekend door:

Jan Snoei
July 15 2024 4:51 PM +02:00

Drs. J. Snoei RA

Stichting Digital Freedom Fund
Amsterdam

4. APPENDIX

Stichting Digital Freedom Fund
Amsterdam

4.1 2024 Budget

	Budget 2024	Actual 2023	Budget 2023
	€	€	€
<u>INCOME</u>			
Income from other non-profit organisations	2,710,417	2,109,515	2,710,308
Income from governments	-	139,149	-
Total income	2,710,417	2,248,664	2,710,308
<u>EXPENSES</u>			
Direct external project costs			
Grantmaking	823,000	688,139	764,550
CSS - Skill building, knowledge building and networking	208,725	238,914	329,996
CSS - Racial & social justice	379,550	179,726	307,060
CSS - EU DIGIRISE	195,231	119,228	133,734
Spent on objectives	1,606,506	1,226,007	1,535,340
Operating expenses			
Staff costs	882,543	769,027	816,812
Office costs	39,150	36,926	83,280
Finance, legal and administration	35,035	50,310	44,000
Travel and accommodation	26,000	17,300	28,000
Governance	15,400	15,454	19,500
Other operational costs	13,000	11,646	17,200
Monitoring & evaluation	8,000	2,678	15,000
General costs	16,200	12,088	7,200
	1,035,328	915,429	1,030,992
Total expenses	2,641,834	2,141,436	2,566,332

Stichting Digital Freedom Fund
Amsterdam

4.1 2024 Budget (continued)

	Budget 2024	Actual 2023	Budget 2023
	€	€	€
Balance before financial income and expense	68,583	107,228	143,976
Balance of financial income and expense	-47,491	-7,228	-58,976
Balance of income and expenses	21,092	100,000	85,000