

WORLD PRESS PHOTO

19

Annual report 2019

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Report of the Supervisory Board

What does the World Press Photo Foundation stand for?

The purpose of the World Press Photo Foundation is to promote and support a high standard of photo journalism and documentary photography throughout the world. Our foundation therefore aims to stimulate broad public interest in and appreciation for the work of photographers and to support the free exchange of information.

For us, achieving a level of transparency that can break down barriers plays a crucial part in helping to create a more just world. We present the visual stories that connect people with each other and the world.

Our key values are: accuracy, diversity and transparency.

How did the World Press Photo Foundation do in 2019?

In March 2019, the foundation relocated to new premises in Amsterdam on the Westergas grounds. The relocation to the public space was made possible thanks to various contributions. In addition, new sponsorships and partnerships were established. Nonetheless, 2019 also brought with it several challenges: while it goes without saying that the World Press Photo Foundation fulfils the demands made of it, a shortfall in sponsorship income and exhibition turnover resulted in a loss.

How is governance regulated?

The World Press Photo Foundation complies with its Articles, the adopted regulations and the Code for Good Governance. The current Supervisory Board hereby wishes to thank Oswald Schwirtz, who stepped down as chairman in April 2019, for his extraordinary commitment. In April 2020, Sterre Sprengers stepped down as Supervisory Board member. We would also like to express our sincere thanks to Sterre for her contribution.

Financial development

Needless to say, the development of the result

occupied the minds of the Supervisory Board. The World Press Photo Foundation ended the year under review with a financial loss of €327,576.

As a result, the continuity reserve was drawn down to €400,871. The Supervisory Board is pleased that sponsors PWC and Aegon have committed to the organisation and is also delighted with the support of Porticus, Tony Chocolonely Foundation and the MIAP foundation. Nevertheless, we must also recognise that, in order to secure the position of the World Press Photo Foundation, the partnerships required in order to generate funds and value for our operations, will clearly continue to demand our attention.

The Supervisory Board deeply appreciates the long-term support of the Dutch Postcode Lottery, which in early 2019 additionally rewarded the World Press Photo Foundation with a large contribution to the World Press Photo House.

In conclusion

Thanks in part to the fast pace of digital developments, the World Press Photo Foundation continues to win a special place in the hearts and minds of more and more people around the world. Our stated purpose expresses precisely what we stand for:

'We believe in the power of showing and the importance of seeing high-quality visual stories. Our purpose is connecting the world to the stories that matter.'

Amsterdam, 22 June 2020

On behalf of the Supervisory Board

Guido van Nispen (Chairman)
Marlou Banning
Jolanda Holwerda
Lara Luten
Narda van 't Veer
Dirk-Jan Visser

Directors' report

'We believe in the power of showing and the importance of seeing high-quality visual stories. Our Purpose is Connecting the world to the stories that matter.'
Our values are: diversity, transparency and accuracy.

The World Press Photo Foundation is more than just a contest, and with its relocation to the public space on the Westergas grounds in Amsterdam, it has embarked on a new stage of its existence. The house was made possible thanks to a contribution from participants in the Dutch Postcode Lottery. A well-executed contest and properly organised communication strategy helped to further expanding our public outreach. On announcement of the contest results, an estimated reach of 4.2 billion potential views was achieved, thereby reaffirming the tremendous power of digital channels. These days, communication is often synonymous with conversation and the growth of social media reach is impressive. The reach on Instagram, in particular, again showed striking growth, with more than 1.4 million followers.

The digital channels do not always facilitate the free exchange of information or lead to an (additional) improvement in its reliability. Now more than ever, we must stand up for freedom of speech, better working conditions for photographers and freedom of the press. To play a part at the highest level of policy-making, the World Press Photo Foundation is a UNESCO partner in the annual World Press Freedom Conference.

Contests

The photo contest is considered an annual international touchstone of visual journalism. It is the organisation's key programme. Upholding the quality and relevance of the photo contest is essential.

4,738 photographers from 129 countries took part in this 62nd edition.

Together, they submitted 78,801 images. The jury awarded prizes to 43 photographers of 25 different nationalities.

The World Press Photo of the Year award went to American photographer John Moore and Dutchman Pieter ten Hoopen took home the award for the World Press Photo Story of the Year, which was presented for the first time.

In the year under review, the World Press Photo Foundation organised the ninth Digital Storytelling Contest, for which submissions in the categories Short (140), Long (83) and Interactive (77) were accepted. A total of 300 productions were considered by the jury. Two new grand prizes were presented at the 2019 Digital Storytelling Contest - one for the World Press Photo Video of the Year, which went to Univision News Digital for 'The Legacy of the Zero Tolerance Policy' and the other for the World Press Photo Interactive of the Year, which was awarded to FRONTLINE/The GroundTruth Project for 'The Last Generation'.

In 2019, the World Press Photo Foundation collaborated with the Alfred Fried Photography Award. This contest is aimed at finding the photo that best illustrates the meaning of peace. The FotoEvidence Book Award with World Press Photo is an award that focuses on the publication of books on less marketable subjects. The strength of World Press Photo Foundation made it possible to generate greater reach and attention.

Exhibitions

In 2019, the annual exhibition toured 116 locations in 54 countries, reaching 4 million visitors.

The organisation again presented the Digital Storytelling Contest awards in De Nieuwe Kerk, where the World Press Photo Foundation has shown its Amsterdam exhibition since 2014. The exhibition attracted 82,707 paying visitors.

With a series of mission-driven exhibitions, the World Press Photo Foundation exhibits in countries

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where key freedoms are not a matter of course. In this way, we help make the world a better place with our exhibitions and educational projects, for which the UN Sustainable Development Goals are an enduring source of inspiration and guidance.

Programmes and outreach

The World Press Photo Foundation is known for its educational programmes, which have existed in various forms since 1990. The goal of these is to share knowledge and skills and to support photojournalists, editors and institutes. Our masterclasses and talent programmes contribute to the education of young visual storytellers, cultivating the visual journalists of tomorrow. Connecting them with an audience is of great importance in order to leave a lasting impression on open and free societies.

The Joop Swart Masterclass (JSM) is considered the flagship of these initiatives. In 2019, the JSM was organised for the 26th time. The African Photo Journalism Database (APJD) project continued with the Everyday Africa platform. This platform brings African photographers and industry players into contact with each other, leading to lasting business relationships. With the support and cooperation of the MIAP foundation, the organisation is working on a unique programme dubbed the 'Solutions visual journalism initiative', which produces and promotes visual journalism focused on solutions.

In cooperation with the Tony Chocolonely Foundation, the 'West Africa visual journalism fellowship' was launched, in which three photographers are commissioned to create work about West Africa that focuses on solutions as opposed to problems.

The 6x6 global talent programme, an important means for putting photographers on the map and making their work known to the industry, continued in 2019.

Through research, analysis and debate, in which we involve both the industry and the public, we search for new opportunities and ways forward, thereby facing the many challenges presented by visual journalism.

The World Press Photo Foundation once again published the 'State of the News Photography', a report that provides insight into the state of the industry.

Platform

The World Press Photo Festival gives substance to the organisation's role as a platform for an entire weekend by presenting a programme with interesting content that includes discussions and an opportunity for participants to network with each other. This weekend in Amsterdam is the organisation's most important PR opportunity, both nationally and internationally. During this weekend, various target groups such as the photography community, sponsors and the general public get a chance to meet each other. The annual Sem Presser lecture, made financially possible in part by the Pictoright fund, was given by Aida Muluneh.

World Press Photo House and PhotoQ-Bookshop

In March 2019, the organisation relocated to its new premises on the Westergas grounds: the World Press Photo House. The goal is to open up the house as a meeting point centred on continued visual education for people of all ages. In August 2019, the World Press Photo Foundation took over the PhotoQ-Bookshop. In addition to the exhibitions, the library and the masterclasses, the bookshop has also become a visible part of the house. The overarching project 'World Press Photo Freedom House' was made possible by a one-off extra contribution from the Dutch Postcode Lottery of €1,190,000, which we were of course very grateful to receive.

World Press Photo Sponsors

The World Press Photo Foundation is a permanent beneficiary of the Dutch Postcode Lottery. In 2019, we concluded a lovely agreement with PWC, which has pledged its support for a period of three years in the form of a sponsorship and the provision of advice and at the end of 2019, Aegon decided to enter into a one-year agreement with us. Special sponsorship is also received from private benefactors who have united in the Associates.

We also receive very significant and growing support from the network of Dutch embassies. At

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many locations across the world, they make that subtle, but crucial difference without which it would be harder to make our exhibitions happen.

Mission and objectives

The World Press Photo Foundation's mission is: *'Connecting the world to the stories that matter'*. For us, achieving a level of transparency that can break down barriers plays a crucial part in helping to create a more just world. We present the visual stories that connect people with each other and the world. This translates into the following spearheads: because we believe in the power of displaying high-quality visual stories, we create and foster the conditions that enable the stories that matter to come to life. A free press and the free exchange of information are of critical importance.

We showcase stories that make people stop, feel, think and act. We promote coverage of world events that is as diverse as possible and present stories told from wide-ranging and unique perspectives.

We present these stories to an international audience, inform the professionals and the public about how they were made and encourage a discussion about their meaning. The World Press Photo Foundation seeks to be a worldwide platform on which professionals and the public are connected with each other through reliable visual journalism and stories.

Organisation

The World Press Photo Foundation has come to be more than just a photo contest: the foundation organises a broad array of activities of which the photo contest is the most popular.

When it comes to sustainability, the World Press Photo Foundation strives to reduce its CO₂ footprint as much as possible. We travel on public transport as much as possible and compensate for the emissions of our air travel through the Climate Neutral Group. We have also reduced our paper consumption as much as possible. When purchasing products, installations or services, we prefer to select the greenest and most sustainable option. We frequently opt to produce our exhibitions locally. This is not only cheaper, but also better for the environment.

The gross remuneration of the Executive Board was in keeping with the Netherlands Charitable Organisations Remuneration Regulations and was lower than the maximum/absolute maximum level of remuneration permitted according to the basis score for executive positions 440 in job category H. In 2019, the average headcount (in FTEs) was 28. At the end of 2019, there were 18 employees (in FTEs) on permanent contracts. The organisation used volunteers on several occasions. This work is assumed to be enriching and meaningful. It is considered a valuable experience by the volunteers who do the work and by the involved parties from the photography community.

Result

The year under review was ended with a loss of €327,576. While there were a number of reasons for this, it can mostly be attributed to lower results compared with the exhibition budget of €240,050 and an unexpected transfer of funds to the doubtful debts provision of €83,545.

Financial analysis

The envisaged continuity reserve is €900,000. As at 1 January 2019, the amount held in the reserve stood at €728,447. By year-end, this amount had fallen to €400,871 as a result of the 2019 financial result. In 2020, the organisation will consider how the continuity reserve can be replenished. In view of the developments taking place after the balance sheet date in connection with the COVID-19 pandemic, making that happen in 2020 will be no small task.

COVID-19 and the organisation's continuity.

The World Press Photo Foundation is being hit hard by the COVID-19 pandemic. All in-person activities relating to exhibitions, education, public programmes and masterclasses which were scheduled for 2020 have either had to be postponed or cancelled. Certain activities can go ahead in digital form.

On this basis, a new 2020 forecast was prepared (in May 2020), based on a number of assumptions and facts, which led to a conservative projection with a proper balance between costs and benefits. Bearing in mind that the continuity reserve stood at €400,871 at the start of the year, at this time the continuity of the World Press Photo Foundation is guaranteed.

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Accountability statement

The Supervisory Board and the Executive Board of the World Press Photo Foundation endorse and act in accordance with the codes and guidelines prescribed by Goede Doelen Nederland.

Supervision, management and execution

The principle of supervision, management and execution compels the organisation to reflect on whether the internal measures taken are sufficient to prevent decisions being made that are contrary to the organisation's interests.

At the World Press Photo Foundation, a clear distinction is made between tasks, responsibilities and authorities. The World Press Photo Foundation is a professional organisation that has its offices in Amsterdam. The employees are managed, including at operational level, by department directors. The managing director, the director of the foundation under its Articles, is charged with the day-to-day management. The unsalaried Supervisory Board supervises the policy pursued by the managing director and the general course of events.

The Supervisory Board

The Supervisory Board meets with the Executive Board at least four times a year. It supervises the management and the general course of events. The Supervisory Board consists of at least five and no more than seven members.

The members of the Supervisory Board in 2019:

- Chairman: Guido van Nispen, independent governance, advisory and investment positions at various organisations.
- Jolanda Holwerda, partner at Better Future, director and founder of LOF Foundation
- Marlou Banning, CFO of Air Traffic Control the Netherlands
- Lara Luten, communications advisor of the World Business Council for Sustainable Development and founder of Blikverruimers

- Sterre Sprengers, deputy director-in-chief and image director at The Correspondent
- Narda van 't Veer, founder and owner of Unit CMA and The Ravenstijn Gallery
- Dirk Jan Visser, independent visual storyteller

The changes in the composition of the Supervisory Board that occurred between January 2018 and June 2020 are summarised below.

Name	Position	Joined	Stepped down/To step down by
Guido van Nispen	Interim chairman	26-01-2018	26-01-2026
Oswald Schwirtz	Chairman	16-01-2015	18-03-2019
Marlou Banning	Finance committee	26-01-2018	26-01-2026
Jolanda Holwerda	Finance committee	14-11-2016	14-11-2024
Lara Luten	new member in 2019	09-09-2019	09-09-2027
Sterre Sprengers	new member in 2018	04-06-2018	20-04-2020
Narda van 't Veer	new member in 2018	26-01-2018	26-01-2026
Dirk-Jan Visser	new member in 2018	26-01-2018	26-01-2026

The members of the Supervisory Board are appointed and dismissed by the Supervisory Board after consultation with the Executive Board. Achieving a balanced distribution across the desired disciplines of media/journalism/photo journalism, the business sector, legal affairs and finance is a key consideration in the appointment of members. The members must possess general administrative skills and an affinity for the objectives of the World Press Photo Foundation.

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It is also ensured that no family ties or other relationships of a personal nature exist between the candidate and the Executive Board. All Supervisory Board members must sign the statement on conflicts of interest as formulated by the Central Fundraising Bureau. Supervisory Board members do not receive any remuneration, but are allowed to submit expense claims for costs actually incurred. They can be appointed for a period of up to four years, at the end of which they may be re-appointed once for another four years.

The World Press Photo Foundation has an audit committee consisting of two members from the Supervisory Board. In 2019, this committee consisted of Marlou Banning and Jolanda Holwerda. It consists of the Supervisory Board members tasked with the monitoring of financial policy. This audit committee advises the Supervisory Board on the financial statements. The financial statements are adopted by the Supervisory Board. The committee assesses the performance of internal risk management and control systems. A substantive description of the duties and responsibilities of the Supervisory Board and the director/executive director of the World Press Photo Foundation is laid down in and confirmed by the foundation's Articles.

Executive Board

The managing director, the director of the foundation under its Articles, is charged with the day-to-day management. That means that the World Press Photo Foundation has a single director. The managing director is the person bearing final responsibility and reports to the Supervisory Board, which is responsible for assessing the performance, determining the salary and the appointment of the managing director.

Executive Board 2019:

Lars Boering, managing director/executive director

On 11 June 2020, Lars Boering stepped down as executive director of the World Press Photo Foundation and his successor, Arnoud van Dommele, took office on the same date.

Best utilisation of resources

The World Press Photo Foundation works within the parameters of a multiyear plan, which sets out the key spearheads for future policy. In order to realise these substantive objectives as efficiently as possible, the foundation works with an annual plan that includes an annual budget. These annual plans describe the concrete details of the multiyear strategy and offer room for adjustment, as required in response to internal and external developments.

In the autumn, the Executive Board presents the multiyear plan in its entirety to the Supervisory Board. The Supervisory Board adopts the plan. The progress made on the multiyear plan is monitored in the first instance by the Executive Board in consultation with the responsible department directors. In a given year, the Supervisory Board convenes at least four meetings, where it discusses the progress of the multiyear plan, including as regards fundraising. Financial reporting consists of reports on the quarterly figures that are prepared by the director along with the head of finance.

The principle of the best utilisation of resources relies on an organisation that endeavours to realise its objectives effectively and efficiently, through the best possible utilisation of the available resources. The World Press Photo Foundation spends its resources on the one hand on expenses associated with the achievement of its objective and on the other on costs incurred by the organisation, such as recruitment costs and management and administrative costs.

KEY FIGURES	2019	2018
Spending on objectives / Total income	91,4%	80,1%
Spending on objectives/ Total expenditure	83,8%	82,6%
Total spending as a percentage of total income	109,1%	97,0%
Spending on own fundraising / Total spending	6,8%	8,1%
Spending on management and administration / Total spending	9,5%	9,3%

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Risk analysis

The organisation's financial strategy is aimed at reducing the dependence on sponsors. There is a real and significant risk that income will decrease when a sponsorship contract expires or is discontinued prematurely. This risk must therefore be reduced by strengthening the organisation's own earning capacity.

Dealings with stakeholders

The organisation is acutely aware that, having broad support – of both a financial and non-financial nature – in society is essential in order to achieve its mission.

The organisation has a patron, His Royal Highness Prince Constantijn of the Netherlands.

The stakeholders of the World Press Photo Foundation can be divided, broadly speaking, into five groups:

- the photojournalism community
- the general public
- partners (including at local level)
- financial backers
- its own staff.

In its dealings with stakeholders, the organisation has determined that several guiding principles must be followed. We strive for equality and diversity. We do not discriminate on the basis of age, gender, race, ethnic origin, religion or sexual orientation. We strongly oppose discrimination and harassment in our community. This is laid down in a code of conduct, which also describes the practical effects for the stakeholders.

Amsterdam, 22 June 2020

Managing director/executive director
Arnoud van Dommele

World Press Photo Foundation

Balance sheet as at 31 December 2019 (after appropriation of the result over the financial year)
(amounts in euros)

	2019	2018
Assets		
Intangible fixed assets	13.333	-
Tangible fixed assets	52.844	13.411
Stocks	59.410	1.964
Receivables and prepayments	396.201	315.212
Cash at bank and in hand	1.527.239	873.351
Total assets	2.049.027	1.203.938
Liabilities		
Reserves and funds		
Continuity reserve	<u>400.871</u>	<u>728.447</u>
	400.871	728.447
Current liabilities	1.648.156	475.491
Total liabilities	2.049.027	1.203.938

World Press Photo Foundation

Statement of income and expenditure

(amounts in euros)

	Actual 2019	Budget 2019	Actual 2018
Income			
- Income from private individuals	71.850	125.000	61.868
- Income from businesses	212.500	291.250	522.947
- Income from lottery organisations	793.253	500.000	500.000
- Income from other not-for-profit organisations	81.980	240.000	5.000
Total income raised	1.159.583	1.156.250	1.089.815
Income in consideration for the provision of products and/or services	2.418.405	2.632.500	2.487.994
Total income	3.577.988	3.788.750	3.577.809
Spending on the objective			
Exhibitions	1.267.435-	1.365.714-	1.184.552-
Freedom House	261.014-	-	-
Communication & Public Relations	917.666-	832.587-	979.845-
Contest	512.157-	500.713-	471.263-
Education	313.197-	319.186-	231.350-
	3.271.469-	3.018.200-	2.867.010-
Own fundraising costs	263.574-	271.405-	281.896-
Management and administrative costs	369.285-	383.806-	322.716-
Total expenditure	3.904.328-	3.673.411-	3.471.622-
Balance before financial income and expenditure	326.340-	115.339	106.187
Balance of financial income and expenditure	1.236-	-	2.433
Balance of income and expenditure	327.576-	115.339	108.620
Spending on the objective in percentages			
Spending on the objective (Spending on the objectives/Total income)	91,4%	79,7%	80,1%
Spending on the objective (Spending on the objectives/Total expenditure)	83,8%	82,2%	82,6%
Spending on management and administration (Management and administrative costs/Total expenditure)	9,5%	10,4%	9,3%
Movements in continuity reserve	327.576-	115.339	108.620
Movements in other disposable equity	-	-	-
Movements in operational management assets fund	-	-	-
	327.576-	115.339	108.620

World Press Photo Foundation

Cash flow statement

(amounts in euros)

	2019	2018
Cash flow from operations		
Result	327.576-	108.620
Amortisation/depreciation of fixed assets	14.049	25.156
Movements in stocks	57.446-	35
Movements in receivables and prepayments	80.989-	146.417
Movements in other payables, accruals and deferred income	1.172.664	44.286
	720.702	324.514
Cash flow from investment activities		
Investments in tangible fixed assets	66.815-	2.634-
Cash flow from financing activities	-	-
Movements in cash	653.887	321.880

World Press Photo Foundation

General explanatory notes

Corresponding figures

The corresponding figures from the previous year have, where necessary, been adjusted only in terms of classification for purposes of comparison.

Nature of the activities

The foundation's purpose is to promote and support a high standard of photo journalism and documentary photography throughout the world. The foundation aims to stimulate broad public interest in and appreciation for the work of photographers and to support the free exchange of information.

Annual reporting guideline

The financial statements are structured according to the Guideline 650 for Fundraising Institutions, as published under the responsibility of the Dutch Accounting Standards Board.

In order to be able to apply the principles and rules for preparation of the financial statements, the Executive Board of the World Press Photo Foundation must form an opinion about various matters and must make estimates about which of these may be of essential importance to the amounts included in the financial statements. If it is necessary in order to provide the insight required pursuant to Section 2:362, subsection 1 of the Dutch Civil Code, the nature of these opinions and estimates, including the associated assumptions, will be included in the explanatory notes to the relevant items in the financial statements.

Principles for the valuation of assets and liabilities

In general, assets and liabilities are valued at the historical cost, manufacturing price or current cost. If no specific accounting principle is mentioned, the valuation has been made at the historical cost. The accounting principles applied in relation to valuation and the determination of the result were the same as in the previous financial year.

Cash flow statement

The cash flow statement was prepared according to the indirect method. The funds indicated in the cash flow statement consist of liquid assets. Receipts and expenditure in respect of interest, dividends received and income tax are recorded under the cash flow from operations.

Tangible fixed assets

The accounting principle used for tangible fixed assets is the historical cost net of investment grants received, less straight-line depreciation, based on the estimated economic life or value in use, whichever was lower.

Stocks

The stocks were valued at the historical cost or manufacturing price, or at market value, if that was lower.

Receivables and prepayments

The receivables are initially stated at the fair value of the consideration.

Trade receivables are subsequently carried at amortised cost. If the receipt of the receivable has been postponed due to the term of payment being extended, the fair value is determined based on the present value of the expected receipts and interest income is credited to the profit and loss account on the basis of the effective interest rate. Provisions for irrecoverable receivables are deducted from the book value of the receivable.

Takeover

As at 1 August 2019, the World Press Photo Foundation took over the specialist bookshop PhotoQ from Stichting PhotoQ for a purchase price of €50,000. The takeover mainly included the stock of books, the webshop and the trade name.

The takeover is recognised in the financial statements using the purchase accounting method. The fair value of the identifiable assets was determined upon takeover, whereby the difference compared to the purchase price is recognised as positive goodwill.

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Principles for determination of the result

General

Income and expenditure are attributed to the period to which they relate.

Income in the form of bartering is accounted for in the period in which the associated consideration was handed over.

The value of the consideration is also recorded as costs.

Share in third-party campaigns

Proceeds from lotteries are recorded in the year in which they were received.

Government subsidies and other grants

Subsidies and grants, other than investment grants, are shown in the result as income in the year in which the subsidised costs were incurred. The income is recorded if this was deemed likely to be received.

Employee benefits

Wages, salaries, social security costs and pensions are recognised pursuant to the terms and conditions of employment in the statement of income and expenditure, in so far as these were owed to the employees.

Pensions

The foundation's pension schemes have been placed with Nationale-Nederlanden Levensverzekeringen Mij N.V.

The foundation's pension scheme is classified as a defined-contribution plan. The foundation pays the contributions to an insurance company and therefore has no further obligations under the pension scheme apart from payment of those contributions. The contributions paid are recorded as staff costs, when they became payable.

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Explanatory notes to the balance sheet

(amounts in euros)

Intangible fixed assets

	Goodwill	2019	2018
Situation as at 1 January	-	-	-
Acquisition cost	-	-	-
Accumulated amortisation	-	-	-
Book value	-	-	-
Movements in book value			
Investments	14.545	14.545	-
Amortisation	1.212-	1.212-	-
	13.333	13.333	-
Situation as at 31 December			
Acquisition cost	14.545	14.545	-
Accumulated amortisation	1.212-	1.212-	-
Book value	13.333	13.333	-

The goodwill paid relates to the purchase of the bookshop PhotoQ in August 2019.

The amortisation is calculated according to a straight-line method based on an annual percentage of 20%.

Tangible fixed assets

	Office equipment and machines	Exhibition system	Contest and Computer equipment	Office renovation	2019	2018
Situation as at 1 January						
Acquisition cost	43.051	74.953	132.341	70.886	321.231	318.597
Accumulated depreciation	42.212-	71.825-	122.897-	70.886-	307.820-	282.664-
Book value	839	3.128	9.444	-	13.411	35.933
Movements in book value						
Investments	30.770		21.500	93.328	145.598	2.634
Contribution from Dutch Postcode Lottery				93.328-	93.328-	-
Disposals	26.784-		53.990-	70.886-	151.660-	-
Depreciation	4.773-	1.323-	6.741-		12.837-	25.156-
Accumulated depreciation of disposals	26.784		53.990	70.886	151.660	
	25.997	1.323-	14.759	-	39.433	22.522-
Situation as at 31 December						
Acquisition cost	47.037	74.953	99.851	-	221.841	321.231
Accumulated depreciation	20.201-	73.148-	75.648-	-	168.997-	307.820-
Book value	26.836	1.805	24.203	-	52.844	13.411

The tangible fixed assets are needed entirely for business operations. The contribution from the Dutch Postcode Lottery of €93,328 is part of the extra project contribution for the Freedom House of €1,190,000 made by the Dutch Postcode Lottery.

The depreciation is calculated on the basis of the following annual percentages:

- Exhibition system 20% - 33%
- Office machines 20 - 33%
- Contest and computer equipment 33%
- Contest equipment 33%
- Renovation of offices 20%

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Stocks	2019	2018
Stock of books	59.410	1.964

The provision for obsolescent book stocks is €46,007 at the end of 2019 (€18,407 at the end of 2018).

Receivables and prepayments	2019	2018
This item is specified as follows at the end of the financial year:		
Accounts receivable	155.353	195.079
Prepaid invoices	74.489	80.231
Unbilled products and services	91.487	38.997
Value-added tax	60.157	-
Other receivables	14.715	905
	<u>396.201</u>	<u>315.212</u>

The provision for irrecoverability of doubtful receivables is €58,420 at the end of 2019 (€39,375 at the end of 2018).

The provision for irrecoverability of unbilled products and services is €25,125 at the end of 2019 (€0 at the end of 2018).

Cash at bank and in hand

This concerns balances of current accounts with banks

Reserves and funds

	2019	2018
Continuity reserve		
As at the start of the financial year	728.447	619.827
Profit distribution	<u>327.576-</u>	<u>108.620</u>
As at the end of the financial year	400.871	728.447
Other reserves		
As at the start of the financial year	-	-
Profit distribution	<u>-</u>	<u>-</u>
As at the end of the financial year	-	-
Total of reserves and funds		
As at the start of the financial year	728.447	619.827
Profit distribution	<u>327.576-</u>	<u>108.620</u>
As at the end of the financial year	400.871	728.447

The financial statements are drawn up in accordance with Guideline 650 for Fundraising Institutions.

The financial policy to be pursued in the years ahead, as mentioned in the multiyear plan, is aimed at augmenting the reserves and funds.

Continuity reserve

The Executive Board and the Supervisory Board regard the discontinuation of the collaboration with a corporate sponsor or the Dutch Postcode Lottery as the biggest risk for business operations. Following a risk analysis in November 2018, a policy was adopted whereby the level of the organisation's continuity reserve must be maintained at at least €900,000. The level of this reserve is reconsidered each year following a risk analysis. The reserve must enable the organisation to take appropriate measures, if necessary, on the one hand to restore streams of income and, on the other, to re-establish the balance between the organisation's expenditure and income.

Other reserves

This relates to the share of the disposable equity that is freely available to be additionally spent on the objective in 2020 and subsequent years.

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Current liabilities	2019	2018
This item is specified as follows:		
Wage tax and contribution to social security funds	43.772	62.169
Value-added tax	-	4.207
Accounts payable	347.548	186.418
Pre-invoiced exhibitions and hire of front space	60.500	73.216
Accrued expenses	137.698	47.432
Outstanding salaries and days' holiday still to be paid out	97.595	92.029
Rent deposit	-	10.020
Contributions not yet expended	<u>961.043</u>	<u>-</u>
	1.648.156	475.491

All liabilities fall due within less than a year.

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Off-balance sheet commitments

Long-term commitments:

In 2019, a new, three-year lease was entered into for an office building at Haarlemmerweg 4-6 in Amsterdam.

This lease will terminate at the end of January 2022, with a right of renewal by two years. The rent for 2020 is €173,000, plus service charges. The lessor has been issued a guarantee for the rent payment amounting to €58,323 by ABN AMRO Bank N.V.

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Explanatory notes to the statement of income and expenditure

(amounts in euros)

	2019	Budget 2019	2018
Own fundraising income			
Income from private individuals (donations and charitable gifts)			
Associates	69.500	125.000	61.500
Friends of World Press Photo	2.350		368
	71.850	125.000	61.868
Income from businesses			
PricewaterhouseCoopers B.V.	150.000		
Aegon Corporate Center B.V.,	62.500		
Canon Europe N.V. Corporate sponsorship	-		375.000
Canon Nederland B.V. - Exhibition production	-		30.694
Canon Europe N.V. - Festival	-		20.000
Delta Lloyd - Amsterdam exhibition	-		77.419
ING	-		10.323
Other sponsors	-	291.250	2.011
ANP - Festival	-		7.500
	212.500	291.250	522.947
Income from lottery organisations			
Dutch Postcode Lottery - Regular contribution	500.000	500.000	500.000
Dutch Postcode Lottery - Extra project contribution towards Freedom House	293.253	-	-
	793.253	500.000	500.000
Income from other not-for-profit organisations			
Income from festival and educational projects	81.980	240.000	5.000
Income in consideration for the provision of products and services			
Exhibition income	2.051.693	2.244.000	2.051.666
Income from Amsterdam exhibition	312.257	360.000	360.111
Income from book and print sales (gross profit, see breakdown below*)	7.076	1.000	19.414
Income from festival tickets	18.346	27.500	19.871
Other income	29.033	-	36.932
	2.418.405	2.632.500	2.487.994
Income from book and print sales *			
Book sales	151.681	115.000	128.104
Print sales	3.769	15.000	4.707
Total net turnover	155.450	130.000	132.811
Cost of books	146.015-	120.000-	110.252-
Cost of prints	2.359-	9.000-	3.145-
Total cost of purchases	148.374-	129.000-	113.397-
Gross profit on sales	7.076	1.000	19.414
Total income	3.577.988	3.788.750	3.577.809

In 2019, an amount of €1,190,000 was received from the Dutch Postcode Lottery for the World Press Photo Freedom House project. The income shown above concerns the share of the contribution spent in 2019.

The yearbook compiled annually from the winning contest images is recorded as income from book and print sales.

The book is largely sold during the exhibitions and is published in six different languages. In addition to the yearbook, the proceeds from the bookshop PhotoQ is accounted for as from 1 August 2019.

The income from hiring out exhibitions comes from the exhibition fee charged to third parties. In the year under review, 116 exhibitions were placed with third parties (108 in 2018). In 2019, 82,707 paying visitors (107,817 in 2018) were welcomed at the exhibition in Amsterdam, in which the World Press Photo Foundation shares in the admission proceeds.

	2019	Budget 2019	2018
Balance of financial income and expenditure			
The realised financial income and expenditure are specified as follows:			
Interest on liquid assets	1.236	-	2.433

The foundation's investment policy is aimed at managing the liquid assets in a conservative manner. Surplus liquid assets are locked up in deposits

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Spending on the objective

Exhibitions	2019	Budget 2019	2018
Implementation costs			
Handling, transport and set-up	439.139-	453.700-	455.863-
Exhibition production costs	201.410-	207.000-	212.347-
Amsterdam exhibition implementation costs	58.614-	92.450-	43.674-
External implementation costs	699.163-	753.150-	711.884-
Own activities	568.272-	612.564-	472.668-
Total exhibition costs	1.267.435-	1.365.714-	1.184.552-

The exhibition costs relate to the production of 18 (17 in 2017) copies of the photo exhibition, the Digital Storytelling exhibition, handling and transport to and from the locations, and local production and set-up costs.

Freedom House	2019	Budget 2019	2018
Implementation costs			
Permanent admission	153.957-	-	-
Educational programmes	15.901-	-	-
Public projects	3.064-	-	-
Communication	10.128-	-	-
Other	-	-	-
External implementation costs	183.050-	-	-
Own activities	77.964-	-	-
Total Freedom House costs	261.014-	-	-

While the World Press Photo Foundation already attracts 250,000 visitors to its annual exhibition in the Netherlands, it seeks to reach a much larger audience. Thanks to the extra project contribution from the Dutch Postcode Lottery, the organisation will be able to expand its activities and increase its impact from the new location on the Westergas grounds in Amsterdam. The public will be able to visit photo exhibitions there more frequently. In addition, the World Press Photo Foundation will offer educational programmes for children and young people. The goal is to reach 500,000 additional people over the coming three years in and around the World Press Photo Freedom House.

Communicatie & Public Relations	2019	Budget 2019	2018
Implementation costs			
Content production	20.288-	25.000-	59.453-
Corporate communications	233.396-	60.000-	53.128-
Website development & maintenance	-	155.000-	69.036-
Festival	121.533-	148.263-	165.723-
Awards Show	148.172-	75.000-	218.960-
External implementation costs	523.389-	463.263-	566.300-
Own activities	394.277-	369.324-	413.545-
Total communication & public relations costs	917.666-	832.587-	979.845-

The costs associated with promoting the objectives relate to efforts to create a worldwide platform for photojournalism, including by means of the corporate website, social media, meetings and lectures. In addition, this department helps take care of the communication and PR side of the regular projects, such as the contest, festival, exhibitions and education. All of these activities are in keeping with the organisation's objective.

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Contest	2019	Budget 2019	2018
Implementation costs			
Judging	102.503-	92.350-	67.180-
Prizes	133.958-	144.750-	32.045-
Website costs due to contest changes	-		32.124-
Multimedia judging	25.310-	27.000-	7.259-
6 x 6 Global Talent Scouting	9.727-	13.250-	17.160-
WPPH Open judging	-		6.023-
External implementation costs	271.498-	277.350-	161.791-
Own activities	240.659-	223.363-	309.472-
Total contest costs	512.157-	500.713-	471.263-

The costs associated with the contest relate to the processing of submissions and the judging done by an international jury, as well as an international talent scouting programme.

Education	2019	Budget 2019	2018
Implementation costs			
General education	42.731-	89.300-	30.553-
Joop Swart Masterclass	61.464-	45.000-	38.384-
External implementation costs	104.195-	134.300-	68.937-
Own activities	209.002-	184.886-	162.413-
Total education costs	313.197-	319.186-	231.350-

The Joop Swart Masterclass is a platform for young, talented photographers for discussing portfolios and key developments within and outside the field with lecturers and fellow participants over the course of six sessions. The item general education relates primarily to the costs of study materials in the form of photo albums.

World Press Photo Foundation

Summary of expenditure

	OBJECTIVE					RAISING INCOME	Management & administration	Total 2019	Budget 2019	Total 2018
	Exhibitions	Communications & Public Relations	Contest	Freedom House	Education	Own fundraising				
Income	2.361.077	400.504	103.125	365.702	347.580			3.577.988	3.788.750	3.577.808
Outsourced work	699.163-		271.498-	183.050-	104.194-	46.082-		1.303.987-	1.463.063-	1.025.266-
Publicity and communication		523.389-			-			523.389-	240.000-	566.300-
Staff costs	442.222-	307.538-	187.716-	60.813-	163.023-	169.645-	278.120-	1.609.077-	1.478.448-	1.560.266-
Accommodation costs	57.975-	40.318-	24.609-	7.972-	21.372-	22.240-	36.461-	210.947-	251.000-	132.128-
Office and general costs	66.750-	46.421-	28.334-	9.179-	24.607-	25.607-	41.979-	242.877-	190.900-	162.679-
Depreciation charges and interest	1.325-	-	-	-	-	-	13.960-	15.285-	50.000-	22.549-
Total spending	1.267.435-	917.666-	512.157-	261.014-	313.196-	263.574-	370.520-	3.905.562-	3.673.411-	3.469.188-
Total income minus spending	1.093.642	-517.162	-409.032	104.688	34.384	-263.574	-370.520	-327.574	115.339	108.620

When costs are allocated, it is first determined whether these are directly attributable to the objectives, own fundraising or management and administration.

Outsourced work includes all costs passed on by third parties. The staff costs are allocated based on time spent on objectives, own fundraising and management and administration on the basis of costs actually incurred, according to the payroll records and directly attributable expenditure. 75% of the costs associated with the Executive Board are allocated to the objectives according to time spent, 20% to own fundraising and 5% to management and administration.

The depreciation charges are allocated to the tangible asset to which these relate for the objective. General amortisation/depreciation is allocated to management and administration.

Accommodation costs, office costs and general costs are allocated based on the staff costs ratio. The expense ratio management and administration (the ratio of the costs of management and administration to the total costs of the organisation) is 9.5% (2018: 9.3%). The following was budgeted: 10.4%.

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Raising of own income	2019	Budget 2019	2018
Own fundraising costs			
Implementation costs			
Customer relationship management	33.833-	50.000-	69.497-
Associates (dinner)	6.998-	15.000-	9.742-
Fundraising	5.251-	10.000-	3.415-
Costs of Friends of World Press Photo	-	-	-
External implementation costs	46.082-	75.000-	82.654-
Own activities	217.492-	196.405-	199.242-
Total own fundraising costs	263.574-	271.405-	281.896-

Management and administration	2019	Budget 2019	2018
Management and administration costs			
Own activities	369.285-	383.806-	322.716-
Staff costs			
Gross salaries	1.227.644-	1.153.249-	1.217.346-
Social security costs	216.777-	184.269-	198.304-
Pension costs	53.862-	49.930-	49.607-
External hiring	10.226-	-	-
Other staff costs	100.569-	91.000-	95.009-
	1.609.078-	1.478.448-	1.560.266-

An overview of the organisation's workforce is given below:

	2019	Budget 2019	2018
Average headcount in FTEs	28	27	28

At year-end, the workforce was made up of the following:	number	FTEs	number	FTEs
Staff on permanent employment contracts	20	17,9	13	19,0
Staff on fixed-term employment contracts	8	7,4	15	7,8
Total		25,3		26,8

Executive salary:

Name	Lars Boering
position	director/executive director
hours	40
part-time percentage	100
period	1/1-31/12
annual income	
gross wage	€ 102.614
holiday pay	€ 8.209
variable annual income	
Total	€ 110.823
social insurance contributions (employer's share)	€ 10.911
pension costs (employer's share)	€ 9.407
Total remuneration 2019	€ 131.141
Total remuneration 2018	€ 125.687

World Press Photo Foundation

The annual income of the Executive Board (in salaried employment) remains within the limits laid down in the Fundraising Institutions Association Remuneration Scheme. The Executive Board does not receive a standard expense allowance; only costs actually incurred are reimbursed and signed off by the Supervisory Board's finance committee.

An explanation of the policy and the guiding principles for the determination of the Executive Board's remuneration can be found in the accountability statement in the annual report. No loans, advances or guarantees are issued to the Executive Board.

The members of the Supervisory Board and the Advisory Council are not awarded any remuneration. No loans, advances or guarantees were issued to the members of the Supervisory Board or the Advisory Council.

Members as at 22 June 2020

The Supervisory Board

Guido van Nispen (Chairman)

Marlou Banning

Jolanda Holwerda

Lara Luten

Narda van 't Veer

Dirk-Jan Visser

Members as at 22 June 2020

Executive Board

Arnoud van Dommele

World Press Photo Foundation

Budget 2020

Statement of income and expenditure
(amounts in €)

	Actual 2019	Budget 2020
Income		
- Income from private individuals	71.850	115.000
- Income from businesses	212.500	286.700
- Income from lottery organisations	793.253	1.100.000
- Income from other not-for-profit organisations	81.980	200.000
Own fundraising income	1.159.583	1.701.700
Income in consideration for the provision of products and/or services	2.418.405	2.853.000
Total income	3.577.988	4.554.700
Expenditure		
Spending on the objective		
Communication	917.666-	845.365-
Freedom House	261.014-	405.500-
Contest	512.157-	586.505-
Education	313.197-	548.327-
Exhibitions	1.267.435-	1.398.860-
	3.271.469-	3.784.557-
Raising of income		
Own fundraising costs	263.574-	283.689-
Management and administration		
Management and administrative costs	369.285-	386.130-
Total expenditure	3.904.328-	4.454.376-
Financial income and expenditure	1.236-	-
Result	327.576-	100.324
Spending on the objective (Spending on the objectives/Total income)	91,4%	83,1%
Spending on raising of own income (Own fundraising costs / Total spending)	6,8%	6,4%
Spending on management and administration (Management and administrative costs/Total expenditure)	9,5%	8,7%

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Other information

Events after the balance sheet date

The World Press Photo Foundation is of course being hit hard by the COVID-19 pandemic. All in-person activities relating to exhibitions, education, public programmes and masterclasses that were scheduled for 2020 have either had to be postponed or cancelled. Certain activities can go ahead in digital form.

On this basis, a new 2020 forecast was prepared (in May 2020), based on a number of assumptions and facts, which led to a projection with a proper balance between costs and benefits. Bearing in mind that the continuity reserve stood at €400,871 at the start of the year, at this time the continuity of the World Press Photo Foundation is guaranteed.

On 11 June 2020, Lars Boering stepped down as executive director of the World Press Photo Foundation and was succeeded by Arnoud van Dommele as of the same date.

World Press Photo Foundation

Opinion of the independent auditor

For the opinion of the independent auditor please refer to the Dutch version (Jaarverslag 2019).