

**Danish Cultural Institute**

**Annual report 2021**



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## **Institute details**

### **Danish Cultural Institute**

(self-governing institution)

Vartov

Farvergade 27 L, 2nd floor

1463 Copenhagen K

Business Registration No.: 10 27 77 28

Registered in: Copenhagen

Internet: [www.danishculture.com](http://www.danishculture.com)

E-mail: [mail@danishculture.com](mailto:mail@danishculture.com)

### **Board of the Danish Cultural Institute**

Carsten Haurum (Chair)

Anette Wad (Deputy Chair)

Michael Ehrenreich

Erik Jacobsen

Birgitte Nauntofte

Rikke Øxner

Carsten Fenger-Grøndahl

Simon Drewsen Holmberg

Olaf Gerlach Hansen

### **Chief Executive Officer**

Camilla Mordhorst

### **Institute auditors**

Deloitte Statsautoriseret Revisionspartnerselskab

## Statement by Management on the annual report

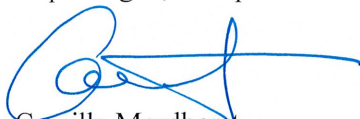
The Board of the Danish Cultural Institute and the Chief Executive Officer have today presented and approved the annual report of the Danish Cultural Institute for the financial year 1 January to 31 December 2021.

The financial statements are prepared in accordance with the Danish Executive Order no. 1701 of 21 December 2010 on finances and administration of beneficiaries of operating contributions from the Danish Ministry of Culture. In our opinion, the financial statements give a true and fair view of the Institute's financial position at 31 December 2021 and of its financial performance for the financial year 1 January to 31 December 2021.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption by the Council of the Danish Cultural Institute.

Copenhagen, 28 April 2022



Camilla Mordhorst  
Chief Executive Officer

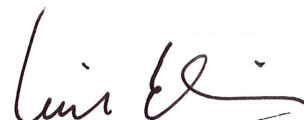
### Board of the Danish Cultural Institute




Carsten Haurum  
Chair



Anette Wad  
Deputy Chair



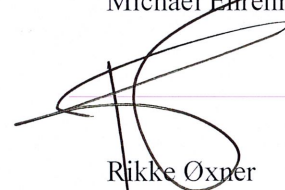
Michael Ehrenreich



Erik Jacobsen



Birgitte Nauntofte



Rikke Oxner



Carsten Fenger-Grøndahl



Simon Drewsen Holmberg



Olaf Gerlach Hansen

## **Independent auditor's report**

### **To the Board of the Danish Cultural Institute**

#### **Opinion**

We have audited the financial statements of the Danish Cultural Institute for the financial year 1 January to 31 December 2021, which comprise the income statement, balance sheet and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Executive Order no. 1701 of 21 December 2010 on finances and administration of beneficiaries of operating contributions from the Danish Ministry of Culture.

In our opinion, the financial statements give a true and fair view of the Institution's financial position at 31 December 2021 and of the results of its operations for the financial year 1 January to 31 December 2021 in accordance with the Danish Executive Order no. 1701 of 21 December 2010 on finances and administration of beneficiaries of operating contributions from the Danish Ministry of Culture.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark as well as the standards on public auditing, as the audit was conducted in accordance with the provisions of the Danish Executive Order no. 1701 of 21 December 2010 on finances and administration of beneficiaries of operating contributions from the Danish Ministry of Culture. Our responsibilities under those standards and requirements are further described in the Auditor's responsibilities for the audit of the financial statements section of this auditor's report. We are independent of the Institution in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Other matter**

In accordance with section 11 of the Executive Order no. 1701 of 21 December 2010 on finances and administration of beneficiaries of operating contributions from the Danish Ministry of Culture, the Institution has included in the income statement the budget for 2021 approved by the Board as comparative figures. As is also evident from the financial statements, neither the profit and loss budget nor the Appendices 1, 2 and 3 have been subject to audit.

#### **Management's responsibilities for the financial statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Executive Order no. 1701 of 21 December 2010 on finances and administration of beneficiaries of operating contributions from the Danish Ministry of Culture, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## Independent auditor's report

In preparing the financial statements, Management is responsible for assessing the Institution's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Institution or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark as well as the standards on public auditing, see the Danish Executive Order no. 1701 of 21 December 2010 on finances and administration of beneficiaries of operating contributions from the Danish Ministry of Culture, will always detect a material misstatement when it exists. 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.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark as well as the standards on public auditing, see the Danish Executive Order no. 1701 of 21 December 2010 on finances and administration of beneficiaries of operating contributions from the Danish Ministry of Culture, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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.
- Obtain 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 Institution's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institution'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 the Institution to cease to continue as a going concern.

## **Independent auditor's report**

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

### **Statement on the management commentary**

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Executive Order no. 1701 of 21 December 2010 on finances and administration of beneficiaries of operating contributions from the Danish Ministry of Culture.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Executive Order no. 1701 of 21 December 2010 on finances and administration of beneficiaries of operating contributions from the Danish Ministry of Culture. We did not identify any material misstatement of the management commentary.

## **Report on other legal and regulatory requirements**

### **Statement on compliance audit and performance audit**

Management is responsible for the transactions covered by the financial statements complying with the appropriations granted, statutes, other regulations, agreements and usual practice, and for ensuring that sound financial management is exercised in the administration of the funds and in the operation activities covered by the financial statements.

## Independent auditor's report

As part of our audit of the financial statements, it is our responsibility to perform compliance audit procedures and performance audit procedures on selected subject matters in accordance with the standards on public auditing. In our compliance audit, we test selected subject matters to obtain reasonable assurance about whether the audited transactions covered by the financial statements comply with the relevant provisions of appropriations, statutes, other regulations, agreements and usual practice. In our performance audit, we make an assessment to obtain reasonable assurance about whether the systems, processes or transactions examined support the exercise of sound financial management in the administration of the funds and activities covered by the financial statements.

If, based on the procedures performed, we conclude that material critical comments should be made, we are required to report this.

We have no material critical comments to report in this respect.

Copenhagen, 28 April 2022

### Deloitte

Statsautoriseret Revisionspartnerselskab  
Business Registration No. 33 96 35 56



Christian Dahlstrøm  
State-Authorised Public Accountant  
Identification No. (MNE): mne35660

## Management commentary

### Core activities

The Danish Cultural Institute (“DCI”) mission is, in interaction with foreign countries, to inform people about Danish culture, art, and society to promote international understanding and increase knowledge of foreign culture in Denmark.

DCI works with a broad cultural concept covering art, culture, science, and society. Since 1940, DCI has been working to promote art and cultural projects that demonstrate the importance of international vision, exchange and dialogue in close association with our democratic values and the fundamental values of cultural diversity, equal rights and sustainable development underlying the UN Sustainable Development Goals.

In 2021, the four-year framework agreement between DCI and the Danish Agency for Culture and Palaces was renewed. The framework agreement aims to provide a long-term and agreed-upon basis for DCI’s strategy and financial position. In addition, the agreement is a mutual indication of the future target developments of DCI activities and the politically prevailing terms. The agreement is effective from 1 August 2021 to 31 December 2024. The Danish Ministry of Culture decided to renew the framework agreement for 2017-2020 to mid-2021. Reporting on the framework agreement is available in Appendix 2.

Performance targets set out in the framework agreement (2021-2024):

Cultural projects	DCI develops new online formats providing new ways of international cultural exchange. Partner’s high-quality assessment of DCI activities is maintained.
Communication and visibility	Increase the visibility of DCI’s work on art and the social-changing potential of cultural projects. The quality of DCI’s visibility to stakeholders and the general public is strengthened.
A balanced economy	The total budget of DCI will balance over the next three years. DCI increases the share of significant, long-term strategic partnerships.

At the beginning of 2021, DCI had six international branches in China, Russia, Brazil, the Baltic States, India and Turkey, of which the Copenhagen head office manages the Turkish branch. The six branches handle or coordinate activities in 18 countries (Denmark, Estonia, Lithuania, Latvia, Russia, China, Japan, South Korea, Mongolia, Brazil, India, Turkey, Ukraine, Georgia, Moldova, Belarus, Azerbaijan and Armenia). In addition, on behalf of the Danish Agency for Culture and Palaces, DCI China is responsible for coordinating activities in China, Japan and South Korea.

In 2021, the Brazilian branch completed its relocation from Rio de Janeiro to Sao Paulo. However, the branch in India had to close temporarily from May 2021. In 2021, intensive efforts were made to reopen the branch in India.

In 2021, DCI changed its accounting policies on funding by programmes in which DCI, as part of a syndicate, has the primary responsibility for the contract with the donors. This change means that from the 2021 financial statements onwards, the partners' expenditure will also be included and reflected in the total activity expenses. In the past, the practice was to include only the part of the programme that DCI had completed.

The grants, in which DCI has the primary responsibility on behalf of a syndicate, involve grants by DANIDA for the New Democracy Fund and the establishment of the Ukrainian-Danish Youth House in Kyiv and a single EU grant. Consequently, the comparative figures have been restated for 2020.

## **Development in activities and finances**

The income statement for 2021 has been compiled in two ways. It must be comparable to partly the budget for 2021 and partly the budget model used in the framework agreement with the Danish Agency for Culture and Palaces (May 2021). The latter divides the costs into grant-financed and income-generating activities. In the following, we refer to the accounting figures in the income statement on page 15.

DCI had a total operating profit of DKK 401 thousand (before financial income and expenses). The net financial items show a profit of DKK 1.3 million. Consequently, the profit for the year totals DKK 1.7 million.

DCI had budgeted for a planned overspend of just under DKK 1.3 million. However, including the estimated net financial income of DKK 100 thousand, the total budget showed a less spending of DKK 1.2 million for 2021. Consequently, the total results have improved by DKK 2.9 million compared to the budget.

Again in 2021, the COVID-19 pandemic had a significant impact on the activities and, with it, the performance of DCI. Many projects were redefined and carried through digitally or as hybrids. Others were postponed or cancelled. Consequently, fewer international meetings and cultural exchanges took place than estimated.

The total operating expenses of the head office and the branches amounted to DKK 22.3 million, which is DKK 4.7 million more than in 2020. The increase is mainly the result of the large DANIDA funds, which have led to a starting-up of new offices in Georgia and Lithuania and a temporary office in Ukraine until the supposed opening of the Youth House in April 2022.

In 2021, activity expenses amounted to DKK 27.4 million. Besides the transfers to DCI partners, the figure indicates an increased activity during the year. The increase partly results from the starting-up of activities in connection with the new grants from DANIDA but also from the fact that several activities have been postponed from 2020 to the autumn of 2021 when the world began to reopen after the pandemic.

The increased expenses are also reflected in income. Total income increased from DKK 29 million to DKK 50.2 million. At the same time, funding by programmes, pools and foundations has increased by DKK 22.2 million; from DKK 12.7 million to DKK 34.9 million. Add to this a slight increase in the operating grant from DKK 14.5 million to DKK 14.7 million. With it, DCI ends at a profit before net financials of DKK 401 thousand.

The positive growth rate results from the fact that the overall development strategy has come to fruition. In addition to the EU and DANIDA projects, China and Russia have also delivered a solid contribution margin due to multi-annual local investments. Therefore, the increased expenses and income result from strategically targeted efforts.

Net financials show a profit of around DKK 1.3 million, including realised exchange and capital gains.

### **Equity**

With a total profit of DKK 1.7 million, DCI's equity amounts to DKK 15.1 million at the end of 2021 (including the value of property in St. Petersburg). The property in St. Petersburg has been written down to 50% of last year's value due to price and exchange rate developments in Russia. The equity mainly stems from the net proceeds from the sale of a property in Edinburgh in 2015.

### **Outlook**

Just as we were in the aftermath of the pandemic, a new world crisis took place; the situation in Ukraine, has had a massive impact on the economy, security, trade, and exchange, not only in Europe but in large parts of the world. The situation is developing hour by hour, and it is extremely difficult to predict how great and long the consequences will be.

Due to the situation in Ukraine, DCI has decided to suspend all its activities in Russia temporarily. As a result, the Danish employee has been called back to Denmark, and the local employees have been instructed to close all planned activities.

In April 2022, the new Ukrainian-Danish Youth House was to open its doors as a physical hub for young people's democratic conversations and a wealth of activities. At the time of writing, the Danish employee has been called back to Denmark, and the young Ukrainian colleagues have fled, gone into battle, or tried to help and protect themselves. All activities have been temporarily moved to Denmark. Engaging in dialogue with the Danish Ministry of Foreign Affairs and the syndicate partner, the Danish Youth Council, DCI is working on various scenarios for continuing the important Ukrainian-Danish cooperation on youth exchange and democracy development in the entirely new and challenging situation.

The extensive programme of the New Democracy Fund continues to transform into a new regional situation. The intention is not to reduce the grant for 2022, quite the contrary. Increased efforts are expected in Moldova that include a wide range of activities and increased DCI activities in the area.

In 2022, DCI will continue to engage in EU projects in the Baltic Sea region and the Eastern partnership countries. New EU projects will replace old ones in the Baltic Sea region and the Eastern partnership countries. For example, the four-year EU4Culture project aims to support the cultural sector development in Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine through capacity-building and exchange of experience. DCI is one of the project partners. Moreover, the work continues on the applications for two other EU projects: one on

culture and circular economy, the other on rural district development through cultural methods. Both projects include the participation of partners in the Baltic Sea region.

The other branches expect to return to normal after the pandemic to the extent that the crisis in Ukraine allows them to do so. The branch in India expects to restart its operations and activities in the second half of 2022.

Overall, in 2022, DCI budgets for an operating loss of DKK 0.7 million. Accordingly, equity, which amounts to DKK 15 million at the end of 2021, is expected to be reduced by the estimated operating loss by the end of 2022. Afterwards, DCI's economy is expected to balance, and any withdrawals from equity will only occur due to strategic initiatives or as risk coverage in unexpected situations.

Consequently, the equity will be used to finance the following initiatives in 2022:

- Activities in Turkey.
- Increased visibility in Denmark. DCI will continue communication in Denmark.
- Better financing options. DCI will continue to allocate resources to a professional, thorough revision of applications for complex, long-term projects and programmes.
- Streamlining the execution of activities. New project tools will be needed to continue the development toward more large projects. That is why we are also working on implementing a financial project management tool and effective reporting tools.

Meanwhile, DCI will work on obtaining additional external funding to maintain the level of activity after 2022.

### **Events after the balance sheet date**

No events have occurred from the balance sheet date to this date which would influence the evaluation of this annual report.

The war in Ukraine/Russia affects our activities in both countries, where the activities are now put on hold, and our Danish employees have had to go back to Denmark. Therefore, branches in both countries may be at risk of generating losses.

## Accounting policies

The financial statements and the management commentary are presented in accordance with the Danish Executive Order no. 1701 of 21 December 2010 on finances and administration of beneficiaries of operating contributions from the Danish Ministry of Culture, including the following fundamental principles:

The accounting policies have been changed on funding by programmes in which DCI has the primary responsibility for the contract with the donors, thus including and reflecting partners' expenditure in the total activity expenses. Consequently, the comparative figures have been restated for 2020 with an increase in income relating to Grants, donations received from foundations, enrolment fees of DKK 6,367 thousand and an increase in Activity expenses of DKK 6,367 thousand. Apart from the above change, the accounting policies applied to these financial statements are consistent with those applied last year.

The financial statements are presented in DKK.

### Income statement

Income and expenses are recognised in the income statement according to the gross principle, including income and expenses of foreign branches. Income and expenses are accrued.

Transfers to partners are recognised in the DCI financial statements at the time of payment. In contrast, expenses in Denmark are recognised according to the time of invoicing and general principles of accrual basis of accounting.

The financial statements include an income statement compiled in accordance with the principles applied in previous years and an income statement compiled in accordance with the framework agreement for 2021 to 2024.

### Balance sheet

#### Intangible assets

Development projects in progress on clearly defined and identifiable processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the organisation can be established, and where the intention is to manufacture, market, or apply the process in question, are recognised as intangible assets.

The cost of development projects comprises costs that are directly and indirectly attributable to the development projects.

Development projects completed are measured at cost less accumulated amortisation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

## Accounting policies

### Intangible assets (continued)

Straight-line amortisation is made on the basis of the following estimated useful lives of the assets:

Development projects completed	3 years
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Development projects completed are written down to the lower of recoverable amount and carrying amount.

### Property, plant and equipment

The Institute's properties are measured at an estimated value which is counterbalanced by an equivalent revaluation reserve. The properties are not depreciated.

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost plus revaluation and less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-5 years
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Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Assets with an acquisition price less than DKK 15,000 are expensed in the year of acquisition.

Depreciation and impairment losses, and losses from the sale of property, plant and equipment, are recognised in the income statement under the individual expense groups. Profits from the sale of property, plant and equipment are recognised in the income statement as other income.

### Receivables

Receivables are measured at amortised cost, usually equalling nominal value.

### Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

## **Accounting policies**

### **Other investments**

Securities recognised under current assets comprise listed bonds and investments measured at fair value (market price) at the balance sheet date.

### **Cash**

Cash comprises cash in hand and bank deposits.

### **Deferred income**

Deferred income comprises received income for recognition in subsequent financial years. Deferred income is measured at cost.

### **Other financial liabilities**

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

### **Foreign currency translation**

Foreign currency transactions are translated monthly, applying the average EU exchange rate (InforEURO).

## Income statement for 2021

	<u>Note</u>	<u>2021 DKK</u>	<u>Budget 2021 DKK'000</u>	<u>2020 DKK'000</u>
National Budget, operating grant	1	14,700,000	14,700	14,500
Grants, donations received from foundations, enrolment fees	2	34,887,370	25,239	12,686
Other income	3	<u>579,779</u>	<u>751</u>	<u>1,883</u>
<b>Income</b>		<b><u>50,167,149</u></b>	<b><u>40,690</u></b>	<b><u>29,069</u></b>
Wages and salaries, head office and branches	4	-15,387,582	-10,363	-12,142
Other operating expenses, head office and branches	5	-6,954,575	-6,845	-5,521
Activity expenses	6	<u>-27,423,678</u>	<u>-24,750</u>	<u>-12,083</u>
<b>Expenses</b>		<b><u>-49,765,835</u></b>	<b><u>-41,958</u></b>	<b><u>-29,746</u></b>
<b>Operating profit/loss</b>		<b><u>401,314</u></b>	<b><u>-1,268</u></b>	<b><u>-677</u></b>
Financial income	7	2,214,524	200	1,476
Financial expenses	8	<u>-870,546</u>	<u>-100</u>	<u>-1,469</u>
<b>Profit/loss for the year</b>		<b><u>1,745,292</u></b>	<b><u>-1,168</u></b>	<b><u>-670</u></b>

## Income statement for 2021

compiled in accordance with the framework agreement for 2021 to 2024

### Income statement, total activities 2021

	<b>Note</b>	<b>2021 DKK</b>	<b>Budget according to framework agreement 2021 DKK'000</b>
National Budget, operating grant and pool funding		15,500,000	15,500
Other grants from national institutions	9	25,883,621	17,680
Grants/donations received from local grantors, private and international institutions	9	8,116,299	5,950
Income from income-generating activities		74,326	0
Other operating income (including financial income)		<u>2,807,428</u>	<u>400</u>
<b>Income</b>		<b><u>52,381,674</u></b>	<b><u>39,530</u></b>
Grant-financed activities		-50,601,748	-40,745
Income-generating activities		<u>-34,634</u>	<u>0</u>
<b>Expenses</b>		<b><u>-50,636,382</u></b>	<b><u>-40,745</u></b>
<b>Profit/loss for the year</b>		<b><u>1,745,292</u></b>	<b><u>-1,215</u></b>
Expected equity at 31 December (DKKm)		14.3	11.4

The budget is the one approved in May 2021 by the Danish Agency for Culture and Palaces, see the Danish executive order on finances and administration of beneficiaries of operating contributions from the Danish Ministry of Culture.

**Balance sheet at 31 December 2021**

	<b>Note</b>	<b>2021 DKK</b>	<b>2020 DKK'000</b>
Development projects completed	10	255,856	122
Development projects in progress	10	0	313
Land and buildings (Maika and Gagarin)	11	750,000	1,500
Other fixtures and fittings, tools and equipment	12	1,851	36
Deposits		<u>350,628</u>	<u>336</u>
<b>Fixed assets</b>		<b><u>1,358,335</u></b>	<b><u>2,307</u></b>
Receivables		1,397,425	1,565
Prepayments		<u>586,909</u>	<u>985</u>
<b>Receivables</b>		<b><u>1,984,334</u></b>	<b><u>2,550</u></b>
<b>Other investments</b>		<b><u>13,011,675</u></b>	<b><u>11,009</u></b>
<b>Cash</b>	13	<b><u>36,012,737</u></b>	<b><u>23,749</u></b>
<b>Current assets</b>		<b><u>51,008,746</u></b>	<b><u>37,308</u></b>
<b>Assets</b>		<b><u><u>52,367,081</u></u></b>	<b><u><u>39,615</u></u></b>

**Balance sheet at 31 December 2021**

	<b>Note</b>	<b>2021 DKK</b>	<b>2020 DKK'000</b>
Earmarked for expansion and development		6,342,942	5,598
Value of property in St. Petersburg		750,000	1,500
Other equity		<u>8,000,000</u>	<u>7,000</u>
<b>Equity</b>	<b>14</b>	<b><u>15,092,942</u></b>	<b><u>14,098</u></b>
Transferred from allocation of activities from previous years		461,253	476
Change in provisions for the year		<u>-461,253</u>	<u>-15</u>
<b>Provisions</b>		<b><u>0</u></b>	<b><u>461</u></b>
Long-term accruals for employee benefits		<u>0</u>	<u>438</u>
<b>Long-term liabilities and provisions</b>		<b><u>0</u></b>	<b><u>899</u></b>
Accruals for employee benefits		681,319	1,240
Other payables		1,747,359	1,274
Deferred income		<u>34,845,461</u>	<u>22,104</u>
<b>Short-term liabilities</b>		<b><u>37,274,139</u></b>	<b><u>24,618</u></b>
<b>Liabilities and provisions</b>		<b><u>37,274,139</u></b>	<b><u>25,517</u></b>
<b>Equity and liabilities</b>		<b><u><u>52,367,081</u></u></b>	<b><u><u>39,615</u></u></b>

Liabilities

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## Notes

	<b>2021 DKK</b>	<b>2020 DKK'000</b>
<b>1. National Budget, operating grant</b>		
Operating grant according to section 21(11)(23)(38) of the National Budget	<b><u>14,700,000</u></b>	<b><u>14,500</u></b>
<b>2. Grants, donations received from foundations, enrolment fees</b>		
Grants, donations received from foundations, enrolment fees	34,087,370	11,786
National Budget, pool funding	800,000	800
Unspent pool funding transferred from previous year	<u>0</u>	<u>100</u>
	<b><u>34,887,370</u></b>	<b><u>12,686</u></b>
<b>3. Other income</b>		
The Wisti Foundation for International Understanding	250,000	250
The Carlsberg Foundation	250,000	1,487
LEGO	0	3
Other income	<u>79,779</u>	<u>143</u>
	<b><u>579,779</u></b>	<b><u>1,883</u></b>
<b>4. Wages and salaries, head office and branches</b>		
Denmark	5,649,049	4,661
Foreign countries	<u>9,738,533</u>	<u>7,481</u>
	<b><u>15,387,582</u></b>	<b><u>12,142</u></b>
<b>5. Other operating expenses, head office and branches</b>		
Denmark	2,675,038	2,039
Foreign countries	<u>4,279,537</u>	<u>3,482</u>
	<b><u>6,954,575</u></b>	<b><u>5,521</u></b>
<b>6. Activity expenses</b>		
Cultural projects	4,163,666	2,987
DANIDA projects	20,035,855	471
EU projects	3,218,812	7,421
Field trips and visitors' programmes, income-generating activities	0	81
Other income-generating activities	<u>5,345</u>	<u>1,123</u>
	<b><u>27,423,678</u></b>	<b><u>12,083</u></b>

## Notes

	<b>2021 DKK</b>	<b>2020 DKK'000</b>
<b>7. Financial income</b>		
Interest income received from banks	6,571	4
Return on securities	558,641	468
Cash exchange gains	55,506	0
Unrealised capital gains on securities	1,447,500	903
Realised capital gains on securities	<u>146,306</u>	<u>101</u>
	<b><u>2,214,524</u></b>	<b><u>1,476</u></b>
<b>8. Financial expenses</b>		
Interest expenses paid to banks	180,667	26
Bank fees	64,280	56
Cash exchange losses	0	316
Unrealised capital losses on securities	217,112	245
Realised capital losses on securities	<u>408,487</u>	<u>826</u>
	<b><u>870,546</u></b>	<b><u>1,469</u></b>
<b>9. Grants/donations received from foundations etc</b>		
<b>Grants received from national institutions</b>		
DANIDA	24,680,978	6,367
The Danish Ministry of Culture, the International Cultural Panel	1,091,949	298
Danish Arts Foundation	0	111
Danish Embassy in Riga	73,878	0
Danish Embassy in China	36,816	0
Danish embassies	<u>0</u>	<u>28</u>
<b>Total grants received from national institutions</b>	<b><u>25,883,621</u></b>	<b><u>6,804</u></b>
<b>Grants received from local grantors</b>		
The City of Copenhagen	<u>0</u>	<u>14</u>
<b>Total grants received from local grantors</b>	<b><u>0</u></b>	<b><u>14</u></b>

## Notes

	<b>2021</b> <b>DKK</b>	<b>2020</b> <b>DKK'000</b>
<b>9. Grants/donations received from foundations etc (continued)</b>		
<b>Donations received from Danish private grantors</b>		
Christian Hansen A/S	0	117
Bornholm Museum	7,950	0
International Media Support	267,728	0
Rambøll	200,000	0
Odense City Museums	20,900	0
The Wisti Foundation for International Understanding	296,859	277
Velux Fonden	0	5
LEGO	0	4
Augustinus Fonden	200,000	0
Konsul George Jorck og Hustru Emma Jorck's Fond	41,288	0
Knud Højgaards Fond	106,723	8
Novo Nordisk	6,911	0
Danske IT	7,949	0
The Danish Agriculture & Food Council	0	4
The Carlsberg Foundation	322,248	1,497
S.C. Van Fonden	6,409	1
The William Demant Foundation	0	33
ISS	0	62
<b>Total donations received from Danish private grantors</b>	<b>1,484,965</b>	<b>2,008</b>

## Notes

	<b>2021</b> <b>DKK</b>	<b>2020</b> <b>DKK'000</b>
<b>9. Grants/donations received from foundations etc (continued)</b>		
<b>Donations received from international grantors</b>		
British Council	8,288	5
Consulate of Finland	29,756	0
EUR PR	29,940	0
DEVCO	22,864	0
EUNIC	133,326	20
Goethe Institute	146,479	3
Handan	280,000	0
INTERREG BSR	4,289,722	1,262
The Nordic Culture Fund	24,426	170
The Nordic Council of Ministers	1,173,986	487
Norwegian Embassy	11,866	0
UNESCO	2,213	0
Yitay	478,658	467
Kragh & Berglund China	0	95
SPCINE	0	4
Zhang Ke	0	37
Camino Centre	0	45
Swedish Embassy in Poland	0	6
Baltic Centre for Media Excellence	0	14
<b>Total donations received from international grantors</b>	<b>6,631,524</b>	<b>2,615</b>
<b>Other income (enrolment fees, refunds, tickets, etc)</b>	<b>581,223</b>	<b>659</b>
<b>Total</b>	<b>34,581,332</b>	<b>12,100</b>

## Notes

	Development projects in progress DKK	Development projects completed DKK
<b>10. Intangible assets</b>		
Cost at 1 January 2021	313,507	753,757
Additions	32,097	0
Transfers	<u>-345,604</u>	<u>345,604</u>
<b>Cost at 31 December 2021</b>	<b><u>0</u></b>	<b><u>1,099,361</u></b>
Amortisation and impairment losses at 1 January 2021	0	-631,296
Amortisation for the year	<u>0</u>	<u>-212,209</u>
<b>Amortisation and impairment losses at 31 December 2021</b>	<b><u>0</u></b>	<b><u>-843,505</u></b>
<b>Carrying amount at 31 December 2021</b>	<b><u>0</u></b>	<b><u>255,856</u></b>
	<b>2021 DKK</b>	<b>2020 DKK'000</b>
<b>11. Buildings (Maika and Gagarin)</b>		
Cost at 1 January 2021	4,291,307	4,291
Financed by grants of	<u>-4,291,307</u>	<u>-4,291</u>
<b>Net cost at 31 December 2021</b>	<b><u>0</u></b>	<b><u>0</u></b>
Revaluation at 1 January 2021	1,500,000	1,500
Reversed revaluation	<u>-750,000</u>	<u>0</u>
<b>Revaluation at 31 December 2021</b>	<b><u>750,000</u></b>	<b><u>1,500</u></b>
<b>Carrying amount at 31 December 2021</b>	<b><u>750,000</u></b>	<b><u>1,500</u></b>

## Notes

	<b>Other fixtures etc DKK</b>
<b>12. Property, plant and equipment</b>	
Cost at 1 January 2021	2,592,379
Additions	0
Disposals	<u>-469,374</u>
<b>Cost at 31 December 2021</b>	<b><u>2,123,005</u></b>
Depreciation and impairment losses at 1 January 2021	-2,556,479
Depreciation for the year	-34,049
Reversals relating to disposals	<u>469,374</u>
<b>Depreciation and impairment losses at 31 December 2021</b>	<b><u>-2,121,154</u></b>
<b>Carrying amount at 31 December 2021</b>	<b><u>1,851</u></b>

	<b>2021 DKK</b>	<b>2020 DKK'000</b>
<b>13. Cash</b>		
Cash in hand	3,054	18
Danske Bank	31,629,212	20,900
Nykredit	21,304	1,003
Cash at foreign branches	<u>4,359,167</u>	<u>1,828</u>
	<b><u>36,012,737</u></b>	<b><u>23,749</u></b>
<b>14. Equity</b>		
Equity at 1 January 2021	14,097,650	14,768
Reversed property revaluation	-750,000	0
Profit/loss for the year	<u>1,745,292</u>	<u>-670</u>
	<b><u>15,092,942</u></b>	<b><u>14,098</u></b>

## 15. Liabilities

The Institute has assumed a rental obligation concerning a lease in Copenhagen. In addition, the Institute has assumed rental obligations concerning some of the foreign branches.

## Appendix 1: Overview of the Danish Cultural Institute projects in 2021

	<b>Income DKK</b>	<b>Payroll DKK</b>	<b>Other expenses DKK</b>	<b>Profit/loss DKK</b>
Grant-financed activities	34,875,879	-5,449,986	-28,988,724	437,169
Income-generating activities	74,326	-8,929	-25,704	39,693
<b>Total</b>	<b>34,950,205</b>	<b>-5,458,915</b>	<b>-29,014,428</b>	<b>476,862</b>

The Danish Cultural Institute (“DCI”) has two types of activities; partly cultural projects that are carried through by grants to cover the direct costs (grant-financed activities), and partly field trips, language courses, etc that are completed by cost recovery in full (income-generating activities). The cultural projects are typically carried through by grants from the Danish Agency for Culture and Palaces (“DACP”), private foundations, EU foundations, the Danish Ministry of Foreign Affairs, and the Institute’s activity funds of DKK 800 thousand.

Income-generating activities include Danish language courses, visitors’ programmes, field trips, etc, financed entirely by the party ordering them. However, in 2021, these activities were minimal.

The cultural projects are listed on the following pages. Only cultural projects with revenue exceeding DKK 10,000 are included. Projects with revenue lower than DKK 10,000 are included as “Other projects” for each country. The project financial statements are based on the following method of accounting: Several projects are multi-annual, but only the costs incurred and income received in 2021 are included in the calculation.

The net results of the cultural projects are calculated as operating contribution margin because the calculation usually does not include wages and salaries for DCI’s permanent staff or overhead costs. The two multi-annual EU projects, Creative Ports and UrbCultural Planning, and the grants by DANIDA for the New Democracy Fund and the Ukrainian-Danish Youth House in Kyiv have also been recognised as part of the grant-financed activities. As the lead partner, DCI also allocates EU and DANIDA income to the other partners. Due to the change in accounting policies, this income is also shown in the project financial statements.

The table above shows that a total of DKK 34.9 million was recognised as income for cultural projects (grant-financed activities) in 2021. The associated costs have been calculated at DKK 34.4 million. Consequently, DCI generates a profit of DKK 437 thousand. The profit is primarily due to an administration contribution from Danida of DKK 385 thousand to the New Democracy Fund and the Youth House.

The results of income-generating activities are calculated as a secondary contribution margin, corresponding to government rules of income-generating activities. The time spent on each project has been calculated. Payroll and overhead costs have been recognised on the individual project subsequently. The conclusion is income equivalent to approx. DKK 74 thousand and costs of DKK 9 thousand and, with it, a profit of approx. DKK 40 thousand. Government grants are not spent on this type of activity.

## Cultural project financial statements 2021

	Income DKK	Payroll DKK	Other ex- penses DKK	Profit/loss DKK
Creative Ports EU project	525,890	-498,285	-188,206	-160,601
Cultural Meeting 2021	23,889	-22,000	-1,889	0
Other projects, Denmark	11,455	-5,000	-6,554	-99
<b>Denmark, total</b>	<b>561,234</b>	<b>-525,285</b>	<b>-196,649</b>	<b>-160,700</b>
Commons & Communities Turkey	22,464	0	-22,464	0
Mobile Playgrounds and Play Culture Project	14,972	0	-14,972	0
In Between Design Project - From North to South: A Textile Art Collaboration	41,196	0	-41,196	0
Directed By Women Festival March 8th Eskisehir	38,801	-32,852	-5,949	0
ATTAHYGGE.COM 2021	118,300	-57,716	-59,087	1,496
Other projects, Turkey	8,549	0	-8,549	0
<b>Turkey, total</b>	<b>244,282</b>	<b>-90,568</b>	<b>-152,217</b>	<b>1,496</b>
Opening of The Royal Danish Honorary Consulate in Klaipėda	19,357	-10,000	-9,357	0
Rolling Angels in Kaunas	25,000	0	-25,000	0
Supporting Belarussian culture under pressure	267,728	0	-267,728	0
Between the Lines - Chapter 3	15,569	-7,437	-8,132	0
Woman in Fur - book project	10,000	-10,000	0	0
Weekends with Lars von Trier	26,301	0	-26,301	0
Between the Lines - Chapter 2	15,199	-3,198	-12,001	0
Development of Circular Economy projects	14,883	0	-14,874	-9
Northern Lights Nordic-Baltic Film Festival 2021	33,469	0	-33,469	0
Historical Ties – celebration of the 100th anniversary of Denmark's acknowledgement of the Baltic states	160,151	-14,000	-146,151	0
Green Tables	42,240	-23,552	-18,688	0
Performing Gender in Times of Conflict	58,290	-52,826	-5,464	0
Voices of Violence	213,375	-41,538	-171,837	0
Social playing	12,858	-11,600	-1,258	0
“The Traveling Democracy Lab” / A Media Literacy Campaign in the Baltics and Belarus	-74,727	0	0	-74,727
Golden Age Exhibition by the National Gallery of Denmark	458,788	0	-458,788	0
Urban Cultural Planning EU project	3,693,581	-868,970	-3,075,096	-250,485
Other projects, the Baltic States	243,067	-14,078	-106,028	122,961
<b>The Baltic States, total</b>	<b>5,235,129</b>	<b>-1,057,199</b>	<b>-4,380,172</b>	<b>-202,242</b>

## Cultural project financial statements 2021

	Income DKK	Payroll DKK	Other expenses DKK	Profit/loss DKK
Ukrainian-Danish Youth House	3,894,130	-1,253,523	-2,462,693	177,914
Direct Approach in Ukraine: Continuation	19,653	-30,858	-208	-11,413
CORRUPT:OFF	198,726	-108,000	-100,183	-9,457
Other projects, Ukraine	0	-156,920	-41	-156,961
<b>Ukraine, total</b>	<b>4,112,509</b>	<b>-1,549,301</b>	<b>-2,563,125</b>	<b>83</b>
17FOR17, SDGs design posters in Russia 2021	34,933	-27,351	-7,582	0
Prigov. Space. 2021	9,996	-9,993	-3	0
VITAA – A Virtual Artists’ Assembly. EUNIC	14,873	0	-14,873	0
Libraries as Green Community Centres in North-West Russia	18,678	-5,000	-3,678	10,000
Navigating in information	312,764	0	-292,764	20,000
Ancient Myth of Bertel Thorvaldsen	259,297	0	-259,297	0
Nordic Weeks in North-West Russia	609,587	-111,028	-474,802	23,757
Waterfront. Tools and networks	274,670	-20,000	-254,670	0
Other projects, Russia	54,017	-45,170	-8,066	781
<b>Russia, total</b>	<b>1,588,815</b>	<b>-218,542</b>	<b>-1,315,735</b>	<b>54,538</b>
The Dinosaur & The Whale	20,657	0	-20,657	0
Creativity Through Drama	35,105	0	-35,105	0
Arne Jacobsen	12,500	0	0	12,500
Born to be wild - Biodiversity in Nordic lenses	33,561	0	-30,236	3,325
Photo exhibition of autism youth	15,000	0	-15,000	0
Morning Tears	28,204		-28,204	0
Hertz	30,000	0	-30,000	0
Biodiversity	10,000		-7,060	2,940
Kronborg	11,984	0	-9,402	2,582
EUNIC Cluster China	15,320	0	-3,490	11,830
Eggception	98,503	-13,925	-45,925	38,653
Handan Culture	180,000	0	0	180,000
K&B Arcitecture	91,464	0	0	91,464
HCA museum	20,900	0	-10,761	10,139
AccessAbility	24,452	0	-14,103	10,349
Expanded Animation	39,469	0	-39,171	298
Creative Learning 2020	11,596	0	-11,596	0
Handan Cultural Development	100,000	0	0	100,000
Danish Culture in Inner Mongolia	478,658	0	-478,658	0
Other projects, China	-60,336	-4,540	-32,591	23,205
<b>China, total</b>	<b>1,317,709</b>	<b>-18,465</b>	<b>-811,959</b>	<b>487,285</b>

	Income DKK	Payroll DKK	Other expenses DKK	Profit/loss DKK
Commons & Communities	118,279	-51,549	-66,730	0
Symposium UIA	41,263	-33,763	-7,500	0
PoN Mobile Game	79,539	-76,567	-1,300	1,672
PNNA IV - Aug-Nov, Embassies	60,161	-57,187	-2,974	0
PNNA III - June/July	34,096	-25,916	-8,180	0
Ponte Nordica No Ar II	79,414	-9,257	-70,157	0
CINE EUROPA - EUNIC SP	43,262	-25,580	-17,682	0
Ponte Nórdica No Ar	29,970	0	-3,458	26,512
Jubilee Book 2018 (1754016)	20,160	-19,329	-94	737
Other projects, Brazil	51,006	-27,267	-25,301	-1,562
<b>Brazil, total</b>	<b>557,150</b>	<b>-326,415</b>	<b>-203,376</b>	<b>27,359</b>
Storytelling Kolkata	115,000	0	-115,000	0
Hoogli Heritage Hub (EUNIC)	15,207	0	-14,958	249
Tranquebar Mobility	200,000	0	-180,000	20,000
Hesselholdt & Mejlvang – Tranquebar	21,000	0	-21,000	0
Nordic Dialogues India	31,600	-31,600	0	0
Tranquebar - 400 stories	14,860	0	-14,860	0
Other projects, India	6,669	-2,105	-4,189	375
<b>India, total</b>	<b>404,336</b>	<b>-33,705</b>	<b>-350,007</b>	<b>20,624</b>

## Appendix 2: Reporting on the framework agreement 2021

The Danish Cultural Institute (“DCI”) has entered into a framework agreement with the Danish Ministry of Culture (“DMC”) for the period 2021 to 2024. The following pages summarise the progress in 2021 specified by activities, performance targets, operational targets, and key figures as outlined in the framework agreement. The agreement was entered into in June 2021, upon which the following reporting is based.

The DCI activities will be further specified in the management commentary for 2021.

### Performance for 2021

As shown in the table below, DCI overall assesses that three of the six operational targets and key figures have been met. The three performance targets and key figures that are partly met relate to DCI’s financial development and the media publicity for the year.

DCI experienced yet again a very troubled year in 2021. The new Youth House in Kyiv and the New Democracy Fund considerably increased the Institute’s focus area and finances. Still, at the same time, the COVID-19 pandemic prevented cultural exchanges and activities from being carried out as planned in many places. Consequently, the overall reporting reflects a better financial position than previously, less expenditure than anticipated and a strong focus in the media publicity on the new programmes in the Eastern partnership countries. The form and content of the cultural projects developed as expected and the objectives were achieved. New digital formats have been integrated into cultural projects in all branches, and the value of the projects carried out for the partners remains very high.

Many old and new projects were ready for execution in 2022. Unfortunately, at the time of writing, the invasion of Ukraine has changed all plans for DCI activities in Europe. Still, the expectation remains that the level of activity will be maintained, albeit in a completely different way than initially planned.

### Activity: Cultural projects

**Performance target:** DCI develops new online formats providing new ways of international cultural exchange.

**Operational target:** The individual branches develop at least one new online format providing new ways of international cultural exchange, thus reaching new target groups or a larger audience. The new formats are evaluated annually across the organisation for joint learning and inspiration.

**Key figure/indicator:** A minimum of 15% of DCI activities must include digital formats in cultural exchange.

**Performance achieved in 2021:**

The COVID-19 crisis, in particular, has made it imperative to think of new formats in international cultural exchange. The new digital formats also limit the need for air transport, thus taking the climate crisis into consideration. Digital formats have been incorporated in 37% of this year’s 125 projects, so the quantitative target for online formats has been met. The individual branches have evaluated one or more best cases within online cultural exchange. In general, the branches indicate that the online format allows for a larger audience, as the activity is no longer site-specific. The online format is used for presentations, city walks, debates, workshops, and interactive online performances. Four good examples from DCI’s evaluations are presented below:

The Baltic States: The activity “Sustainable Design Lab” was part of the large “Creative Ports” project and aimed to bring together designers from cities in Finland, Germany and Latvia who would then create sustainable, city-specific design prototypes. Part of this was a digital city walk in Riga to give the designers the insight needed to develop city-specific designs. Then, in an online format, all participants could follow the city experts’ tour of Riga, create site-specific designs, and get site-specific inspiration without travelling.

Turkey: In September 2020, Denmark had to cancel its children’s festival in Istanbul. Instead, in cooperation with ATTA, an online art and culture platform was created with content for children: ATTAhygge.com. To celebrate children’s day in Turkey, DCI Turkey organised a workshop for children in cooperation with ATTA and under the auspices of ATTAhygge.com. The body percussion performer Gökçe Gürçay organised an interactive workshop for children, in which children were encouraged to participate in play and movement at home in their living rooms via Instagram.

Ukraine: The aim was to introduce Ukrainians to Danish theatre professionals and discuss how theatre can play a role in promoting social change. Participants in the workshop learned about documentary tools and were even able to perform a small online play for each other. Furthermore, via a Zoom feature, participants were able to translate English-Russian-English live simultaneously, which also enabled people who did not speak and understand English to take part. At the same time, the online format also allowed participants from many parts of Ukraine to be included, which would not have been possible if the activity had been physical.

China: An integral part of the monthlong activity “AccessAbility” included an exhibition of portrayals and short biographies about Chinese and Scandinavians with various handicaps describing their lives, dreams, and daily challenges. As part of making the project inclusive for all despite challenges, the biographies were converted into digital content in both written and oral form, accessible by a QR code at each portrayal. In addition, the participants had recorded their biographies, making the exhibition more personal and allowing the participants to feel appreciated and heard.

**Performance target:** Partners’ high-quality assessment of DCI activities is maintained.

**Operational target:** The quality of DCI’s activities is evaluated annually by asking its Danish partners, i.e., artists, cultural performers, and organisations, about DCI’s contributions and in what ways the projects have strengthened and will strengthen the future intercultural dialogue.

**Key figure/indicator:** DCI’s projects are evaluated annually. On a scale from 1-7, DCI will be satisfied with a score above 5.

**Performance achieved in 2021:** The partners generally consider their cooperation with DCI satisfactory. 78% agree or strongly agree with the statement “I am generally satisfied with how the project was carried out”. This result corresponds to a weighted average of 6.2 on a scale from 1 to 7 where 7 is the best. The partners indicate, in general, that they have established new, solid cooperative relationships initiated by DCI in the relevant country.

However, the number of evaluations is low, and DCI will strive for more project evaluations next year. Nevertheless, the performance target is still considered met. The breakdown of answers can be found in the table below.

1. STRONGLY DISAGREE	2. DISAGREE	3. PARTLY DISAGREE	4. NEUTRAL	5. PARTLY AGREE	6. AGREE	7. STRONGLY AGREE	NOT RELEVANT	WEIGHTED AVERAGE
0.00%	0.00%	2.44%	2.44%	12.20%	34.15%	43.90%	4.88%	6.21

Note: The table shows the distribution of answers to the question, "How much do you agree with the statement: "I am generally satisfied with how the project was carried out." Number of respondents: 41.

### Activity: Communication and visibility

**Performance target:** DCI will strengthen the quality of its strategic press efforts and presence in leading national and social media. The media publicity should focus more on DCI's mission, activities, and unique position as being insightful in the cultural conditions of the countries concerned. The visibility effort will be based on DCI projects, focusing on relevance in Denmark.

**Operational target:** The volume of media publicity is maintained in leading national media in Denmark, but the share of media publicity in which DCI's mission, projects and unique expert role are incorporated gradually increases.

**Key figure/indicator:** Baseline 40% of 290 mentions in 2020. The target is 60% of the mentions in 2021, 65% in 2022, 70% in 2023, and 75% in 2024.

**Performance achieved in 2021:** The year 2021 offered several significant milestones to DCI. The New Democracy Fund and the Ukrainian-Danish Youth House were launched and kickstarted their activities and initiatives. However, COVID-19 was still haunting and meant a continued reorganisation and postponement of projects, thus also having a natural influence on the number of DCI media mentions. However, the Institute has achieved its quantitative target of about 290 mentions. Due to a communicative prioritisation of strengthening own platforms rather than outreach press work, the 60% qualitative publicity target has not been achieved. An analysis of DCI publicity shows that about 45% of the mentions are about a) DCI's projects, b) DCI's unique knowledge of and insight into host countries' culture etc, or c) a partnership/cooperation/initiative prompted by DCI. The recently established DCI platforms include the development and launch of three websites: [www.newdemocracyfund.org](http://www.newdemocracyfund.org), [www.theyouthhouse.org](http://www.theyouthhouse.org), and [www.danishcultureturkey.com](http://www.danishcultureturkey.com) as well as followers on several social media affiliated with the New Democracy Fund and the Ukrainian-Danish Youth House. All platforms are available to a Danish audience.

The analysis of external media publicity is based on a review of all DCI mentions in 2021 via Infomedia. Special notice should be taken here that Infomedia does not record radio and TV publicity as accurately as written media. However, DCI mainly experiences a great interest from just audio media, as participation is easy despite long distances. Furthermore, for the reasons mentioned above, the recording of DCI radio appearance is hand-held and may be incorrect. However, almost all radio publicity is to be considered qualitative in the light of the above definition.

**Performance target:** In the coming framework agreement period, DCI would like to test the overall relevance of the Theory of Change (ToC) method as a methodology and evaluation model by learning it and applying it to large DCI projects in order to share the experience with the cultural industry.

**Operational target:** The aim is a targeted process, beginning with the learning and translation of the method into the cultural field in order to turn it into DCI practice and subsequently share knowledge with other cultural institutions working with art and cultural projects as change-making initiatives.

**Key figure/indicator:** The method is introduced and known in 2021, the method is translated and learned in 2022, the method is mastered and used in 2023, and the method is shared in 2024.

**Performance achieved in 2021:** Five key employees from the programme and finance departments have completed ToC method online training at MDF in the Netherlands. These employees have passed on their knowledge to all heads of institute at a joint seminar and have informed of and discussed the method with all employees in Denmark. Moreover, we have studied how the method is used at the Goethe Institute as inspiration for the use of ToC by DCI. The method is already applied to the Institute's DANIDA-funded projects.

### **Activity: A balanced economy**

**Performance target:** The total budget of DCI will balance over the next three years.

**Operational target:** The economy will be reorganised step by step into a higher share of external funding, thus phasing out withdrawals from equity over the next three years.

**Key figure/indicator:** The loss will be reduced annually according to the following plan: Baseline 2020: DKK -0.67 million, 2021: DKK -1.21 million, 2022: DKK -0.7 million, 2023: DKK 0 million, and 2024: DKK 0 million.

**Performance achieved in 2021:** DCI has great success in attracting external funding, e.g., the New Democracy Fund and the Youth House in Ukraine. As a result, total activity expenses are DKK 27.4 million, an increase of 44% compared to 2020. Funding by DANIDA constitutes DKK 20 million. DCI is already working on new phases of these two projects as well as other DANIDA and EU projects.

DCI had budgeted for a loss but ended with a profit due to a decline in activities caused by the COVID-19 pandemic, an administrative contribution from DANIDA that was not included in the budget, the temporary closing-down of the Indian branch, and a capital gain on securities.

**Performance target:** DCI increases the share of large cultural projects through long-term strategic partnerships.

**Operational target:** We are working toward large, long-term projects with a much better chance of generating positive contribution margins and increasing the volume of project finances.

**Key figure/indicator:** Total number of cultural projects completed per country, broken down by projects with revenue of > DKK 100 thousand.

**Performance achieved in 2021:** The share of projects completed was 15%, but the target was 20%. In some countries, the number of large projects has not grown quite so fast. On the other hand, the Institute is now part of several huge, long-term projects ensuring a reasonable contribution margin to its operating economy and providing stability for the economic planning in the next few years. Consequently, DCI is satisfied with the development and the target must be considered partly fulfilled.

## Appendix 2: Reporting on the framework agreement 2021

2021	Denmark	Poland	Turkey	The Baltic States	Ukraine	Russia	China	Brazil	India	Lat-eral	Perfor-mance	Tar-get
Number of projects per branch	4	1	7	35	4	18	27	22	12	2	132	150
Number of projects per branch above DKK 100 thousand	1	0	1	5	3	4	1	2	2	1	20	30
	25%	0%	14%	14%	75%	22%	4%	9%	17%	50%	15%	20%

2020	Denmark	Poland	Turkey	The Baltic States	Ukraine	Russia	China	Brazil	India	Lat-eral	Perfor-mance	Tar-get
Number of projects per branch	4	22	5	33	8	12	18	13	19	3	137	190
Number of projects per branch above DKK 100 thousand	2	1	1	2	3	2	1	1	1	1	15	25
	50%	5%	20%	6%	38%	17%	6%	8%	5%	33%	11%	13%

## Appendix 2: Reporting on the framework agreement 2021

### Performance targets

ACTIVITY: CULTURAL PROJECTS	OPERATIONAL TARGET/KEY FIGURE	2020	2021 Target	2021 Performance	2022	2023	2024
DCI develops new online formats providing new ways of international cultural exchange.  Partners' high-quality assessment of DCI activities is maintained.	Minimum share of DCI activities that include digital formats in cultural exchange. Number of online formats that each branch develops annually. Annual evaluation of completed activities. Ongoing evaluation of projects in terms of partners' (i.e., artists, cultural performers, and participating organisations) perception of quality in DCI activities. Average score on all evaluations.	-	15%  1  Completed  Completed  >5	38%  √ 1  Evaluations completed for 2021  Evaluations completed for 2021  √  Average score 6.2	15%  1  Completed  Completed  >5	15%  1  Completed  Completed  >5	15%  1  Completed  Completed  >5
ACTIVITY: COMMUNICATION AND VISIBILITY	OPERATIONAL TARGET/KEY FIGURE	2020	2021 Target	2021 Performance	2022	2023	2024
The quality of DCI's visibility to stakeholders and the general public is strengthened.  Increase the visibility of DCI's work on the social-changing potential of art and cultural projects.	Number of mentions in media is maintained. Key figure: Share of media publicity in which DCI's activities, mission and unique expert role is the focal point of the mention. ToC method is learned, translated, implemented, and shared in DCI activities. Experience is communicated to other similar cultural institutions.  Indicator: Process development	40%  -	60%  Introduced and known	(√) = 290 mentions 45%  √ Five employees have completed ToC method online training. Knowledge has been passed on to head of institute and employees.	65%  Translated and learned	70%  Mastered and applied	75%  Shared
ACTIVITY: A BALANCED ECONOMY	OPERATIONAL TARGET/KEY FIGURE	2020	2021 Target	2021 Performance	2022	2023	2024
The total budget of DCI will balance over the next three years.  DCI increases the share of large cultural projects through long-term strategic partnerships.	The total budget of DCI will balance over the next three years. Key figure: The total budget reflects a gradual phasing out of withdrawals from equity.  Number of cultural projects completed by DCI broken down by projects with revenue > DKK 100,000	DKK -0.7m  30/150	DKK -1.2m  30/150	(√) Had budgeted for a loss but a profit of DKK 1.7m was reached for the year. Equity development is positive and DKK 1m has been added to equity.  Significant explanations are capital gain of DKK 1m on securities, saving of DKK 0.7m in India (temporarily closed), administrative contribution by DANIDA of DKK 0.4m (un-budgeted), relocation of Brazilian branch DKK 0.1m (cheaper than expected).  (√) 20/132 (15%) An increase compared to 2020 (15/137 or 11%).	DKK 0.7m  35/150	DKK 0m  35/150	DKK 0m  35/150

## **Appendix 3: Financial statements of the DCI special activities pool for 2021, see section 21(11)(23)(38) of the National Budget**

By the end of 2021, the Danish Cultural Institute (“DCI”) allocated DKK 800,000 from its special activities pool. The allocation equals the amount granted in the National Budget for 2021, following the guidelines by the Danish Agency for Culture and Palaces (“DACP”).

The special allocation is distributed according to DCI’s “Guidelines for the special activities pool”, which emphasise the five principles by ICP: quality, local interest, long-term perspective, cooperation among players, and communication. The user survey of the collaborations in which DCI has participated with Danish artists and cultural actors shows, among other things, that DCI’s projects generally meet the targets of long-term perspective and cooperation among the players. At the same time, the survey shows a generally high score in the cooperation with DCI, as specified in Appendix 2.

The evaluation of the four most significant allocations granted by the special activities pool is shown below. Afterwards, an overview is provided of all pool funds granted in 2021.

### **Project evaluations**

#### Directed by Women, Turkey: (Grant: DKK 38,801)

The female film festival, aiming to support gender equality in films and the television industry, was held in Istanbul with the help of DCI Turkey. DCI Turkey contributed by coordinating festival activities, publicity in Denmark, and assisting the Danish film director Tanne Sommer in the form of guidance, Turkish translation, and other support. Tanne Sommer held two workshops called “How to Pitch ” to teach upcoming film directors to pitch their ideas to companies, organisations, and foundations. The participants presented their ideas to her, and she then gave constructive feedback on their pitches. Furthermore, Tanne Sommer was one of the judges on the panel; she showed her short films and discussed how female empowerment is illustrated in her works.

Five screenings by Danish female film directors were shown, each focusing on social and cultural dilemmas in the late modern Danish society, such as integration, intercultural interaction, female empowerment, harassment, gender inequality and psychological challenges. In addition, the universal short films were selected to bring women together at both national and international levels, in which different perspectives from each language and culture meet and promote intercultural dialogue between Denmark and Turkey. As regards media coverage, the festival organisers published a podcast series on Spotify, had coverage on social media (Instagram and Twitter), and published an article on CNN Turk. About 1,700 people participated in the festival.

#### In Search of Justice, Baltikum: (Grant: DKK 39,511)

Based on a white paper called “Seeking Justice. Stories of violence in Belarus” – a book consisting of articles written by Belarussian journalists describing the violence and assaults that took place during the protests in August 2020 – “In Search of Justice” was developed as a theatrical performance in which selected stories from the book were recited at the Latvian National Theatre. The performance was live-streamed on Delfi, one of Latvia’s most influential media portals, and on social media. The Danish producer Inger Eilersen was hired to

develop the performance in Denmark, adapt the text and work with local actors to make the concept targeted and easily understandable to a Danish audience. The selected recitation was broadcasted in Denmark and on social media. The Danish performance was created in close cooperation with the Betty Nansen Theatre (DK) and the theatre C:NTACT (DK).

As described in the application for pool funding, the project achieved its objective of contributing information and drawing the international community's attention to the brutal situation in Belarus by using the theatre as a medium. The Latvian performance reached about 3,500 people on social media, more through the broadcast on Delfi. The Danish performance was also available to a large audience from different countries, including Denmark and the Eastern partnership countries. The project also formed a cultural collaboration between Danish and Latvian theatrical professionals.

#### Homage to Older Women, Russia: (Grant: DKK 38,000)

In 2021, the project coordinators, visual artist Hanne Lise Thomsen and freelance curator Lise Grüner, prepared the project concept based on previous exhibitions organised by Hanne Lise Thomsen. The project was meant to celebrate how, across borders and generations, older women are viewed differently. The project was titled "Homage to Older Women", and 115 female artists from Russia, Turkey, Morocco, and Scandinavia were invited to participate. Criteria for the works of art were identified, and the creative process began.

Since the project's main idea was to show art photos on billboards, Hanne Lise Thomsen found a company in St. Petersburg, a business partner who could let out billboards, print banners, and be responsible for installation, maintenance and dismounting. A preliminary contract and budget were made. In collaboration with DCI, Hanne Lise Thomsen and Lise Grüner Bertelsen set a time frame, and they prepared an action plan and a preliminary programme for the art festival to take place at the same time as the billboard exhibition.

#### Creativity through Drama, China: (Grant: DKK 35,105)

Nothing is more life-giving than children's joy accompanying you in your work.

Every year in August, our activities are targeted at Chinese young people and their way to greater creativity, imagination, and co-creation – in the Danish way. This work is done in cooperation with our long-standing partner Handan Culture. In 2021, the programme was dedicated to physical theatre, which was explored through workshops and weekly courses with an overall mantra of interaction. Led by three actors, all of whom have a great experience from Nordisk Teaterlaboratorium – Odin Teatret, these workshops gave children and young people a unique experience that they will be able to use actively through small plays and exercises based on theatrical and pedagogical principles. These activities took place not only in Beijing but also in other major cities in China, such as Hangzhou, Wuhan, and Shanghai.

<b>Grants from Pool in 2021</b>	<b>Amount (DKK)</b>
The People's Meeting 2021 (at Vartov)	9,907
Cultural Meeting 2021	23,889
<b>Denmark</b>	<b>33,796</b>
Anet Brusgaard exhibition in festival "Divi Juliji"	3,950
Baltic Sea Docs	2,625
Between the Lines – Part 1	15,199
Between the Lines – Part 3	15,568
Green Tables	3,269
Historical Ties – Denmark's acknowledgement of the Baltic States	985
In Search of Justice. History of Violence in Belarus	39,511
Nordic Days in Ventspils	455
Nordic Highlights - Riga IFF 2021	7,440
Nordic-Baltic Queer Festival	5,209
Northern Lights Nordic-Baltic Film Festival 2021	33,468
Opening of The Royal Danish Honorary Consulate in Klaipėda	19,357
Performing Gender in Times of Conflict	26,323
Rolling Angels in Kaunas	6,509
Social playing	12,858
Voices of Violence	30,725
Weekends with Lars von Trier	26,301
Woman in Fur - book project	10,000
<b>The Baltic States</b>	<b>259,752</b>
17FOR17, SDGs design posters in Russia 2021	34,933
Ancient Myth of Bertel Thorvaldsen	12,049
Arctic festivals 2020	-8,472
HOMAGE TO OLDER WOMEN	38,000
Prigov. Space. 2021	9,995
VITAA – A Virtual Artists' Assembly. EUNIC	14,874
<b>Russia</b>	<b>101,379</b>

Break the Silence	7,579
Creativity Through Drama	35,105
Deaf Choir performance	1,993
Don't Fear the Weird	5,205
Photo exhibition of autism youth in China and Denmark	15,000
Hertz – Danish case	30,000
Morning Tears	28,204
Physical disability activities	1,781
TCG Nordica	8,481
Team Tvilling	964
The Dinosaur & The Whale	20,657
<b>Kina</b>	<b>154,969</b>

CineDina Film Course	4,834
Commons & Communities	28,500
Constructive Journalism Fellowship	8,685
Cozinha da Malou 2021	2,500
Curta Brasília, TAW feature	8,237
DK Film @ Mostra SP	1,146
Kathrine Windfeld - SESC jazz	7,148
PN Dox Pitch Lab	2,354
PNNA III - June/July	17,659
PNNA IV - Aug-Nov, Embassies	17,500
PoN Mobile Game	18,728
TAW-UFSCar research trip	4,752
<b>Brazil</b>	<b>122,043</b>

Hesselholdt & Mejlvang – research trip to India, Tranquebar	21,000
Hoogli Heritage Hub (EUNIC)	-35,000
KASHISH Mumbai International Queer Film Festival 2021	4,708
Storytelling Kolkata	35,000
Vinyl Kulture in India & Denmark - past, present, and future	1,731
<b>India</b>	<b>27,439</b>

ATTAHYGGE.COM 2021	38,300
Directed by Women Festival March 8th Eskisehir	38,801
Istanbul Modern Collaboration 2021	7,500
Mobile Playgrounds and Play Culture Project	14,972
Theatre A WOMEN AWAKENS 8 March	1,049
<b>Turkey</b>	<b>100,622</b>

<b>Total</b>	<b>800,000</b>
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