

**Danish Cultural Institute**

**Annual report 2019**

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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

Rasmus Wiinstedt Tscherning

Rikke Øxner

Carsten Fenger-Grøndahl

Simon Drewsen Holmberg

Merete Agger

### **Chief Executive Officer**

Camilla Mordhorst

### **Institute auditors**

Deloitte Statsautoriseret Revisionspartnerselskab

## Statement by Management on the annual report

The Board of the Danish Cultural Institute, the Chief Executive Officer and the Deputy Chief Executive have today presented and approved the annual report of the Danish Cultural Institute for the financial year 1 January to 31 December 2019.

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 Ministry of Culture. In our opinion, the financial statements give a true and fair view of the Institute's financial position at 31 December 2019 and of its financial performance for the financial year 1 January to 31 December 2019.

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, 29 April 2020

Camilla Mordhorst  
Chief Executive Officer

Annemarie Lindstrøm  
Deputy Chief Executive

## Board of the Danish Cultural Institute

Carsten Haurum  
Chair

Anette Wad  
Deputy Chair

Michael Ehrenreich

Erik Jacobsen

Rasmus Wiinstedt Tscherning

Rikke Øxner

Carsten Fenger-Grøndahl

Simon Drewsen Holmberg

Merete Agger

## 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 2019 to 31 December 2019, 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 Ministry of Culture.

In our opinion, the financial statements give a true and fair view of the Institution's financial position at 31 December 2019 and of the results of its operations for the financial year 1 January 2019 to 31 December 2019 in accordance with the Danish Executive Order no. 1701 of 21 December 2010 on finances and administration of beneficiaries of operating contributions from the 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 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 of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 Ministry of Culture, the Institution has included in the income statement the budget for 2017 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 and 2 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 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 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 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 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 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, 29 April 2020

### **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 objective of the Danish Cultural Institute (“DCI”) is to foster an understanding of Danish and international culture. In cooperation with partners, new insights and networks are created through culturally and socially relevant projects that nudge the usual way of thinking and provide mutual value.

In 2017, DCI entered into a four-year framework agreement with the Danish Agency for Culture and Palaces. The purpose of the framework agreement is to provide a long-term and agreed-upon basis for the strategy and financial position of DCI. The agreement is a mutual indication of the future target developments of DCI activities and the terms that are politically prevailing. The agreement is effective from 1 January 2017 to 31 December 2020. Reporting on the framework agreement is available in Appendix 2.

The individual targets set out in the framework agreement are based on the following vision for DCI initiatives:

- That DCI – while maintaining its mission and business model, as well as the arm’s length principle – promotes Danish-international cultural relations, has a geographical reach of relevance and can be flexible in terms of professionalism and partnerships.
- That DCI is an attractive cooperator for the development of Danish-international cultural relations. DCI creates viable projects and networks of high quality and value for both DCI and its partners. DCI has the professional expertise to bring Danish art and culture into play, preferably of relevance to handle current cultural and societal challenges.

DCI’s strategy is available at [www.danishculture.com](http://www.danishculture.com). In 2018, a supplement was added to the strategy that increases the focus on relevance, visibility in Denmark and economic sustainability.

In early 2019, DCI had seven foreign branches covering 13 countries (Denmark, Estonia, Lithuania, Latvia, Poland, Russia, China, Brazil, India, Germany, Belgium, the Netherlands, Luxembourg) and, also, had Turkey, Ukraine and Belarus as focus areas. Finally, DCI China is responsible for coordinating activities in China, Japan and South Korea.

However, the branch in Brussels was closed in the middle of 2019. Moreover, it was decided in the autumn of 2019 also to close the Polish branch and to move the Brazilian branch from Rio de Janeiro to Sao Paulo during 2020.

### Development in activities and finances

The income statement for 2019 has been compiled in two ways, as it must be partly comparable to the budget for 2019, and partly comparable to the budget model used in the framework agreement with the Danish Agency for Culture and Palaces. The latter divides the costs into grant-financed and income-generating activities.

## Management commentary

On page 14, the income statement has been presented in relation to the budget for 2019, while on page 15 it has been presented in relation to the budget model used in the framework agreement for 2017 to 2020. In the following, we refer to the accounting figures in the income statement on page 15.

The operating loss for the year totals DKK 4 million. After calculating net financial income, the total loss for the year is approx. DKK 1.7 million.

DCI had budgeted for a planned operating overspend of DKK 5.4 million. Including the estimated net financial income of DKK 0.4 million, the total budget showed a loss of DKK 5.0 million for 2019.

So saying, the operating loss is a reduction of the planned overspend by DKK 1.4 million. At the same time, the financial income increased by DKK 1.9 million compared to the budget. Consequently, the total results have improved by DKK 3.3 million compared to the budget.

Net financials amounted to DKK 2.3 million in 2019 after a net capital loss in 2018 of DKK 1.3 million. Consequently, the development in 2019 mainly reflects a restoration of the market value.

The total expenditure on operating head office and branches amounted to DKK 21.4 million, which is DKK 1.3 million more than in 2018 when operating costs amounted to DKK 20.1 million. The increase is due to the fact that DCI opened the new branch in India as planned in 2019 and decided to spend savings on further initiatives in Turkey and Ukraine. Add to this, extraordinary expenses involving the discontinuation of the branch in Brussels.

The 2019 activities generated a total income of approx. DKK 10.2 million, while expenses amounted to approx. DKK 9.7 million, and with it a total profit of approx. DKK 0.4 million. Compared to 2018, the income from activities has increased by DKK 1.4 million. Compared to the budget for 2019, income has declined by DKK 7.7 million mainly because the income of DKK 3.8 million from EU-Intereg to DCI partners is not recognised in the income statement but only as balance sheet items. In addition, revenue from the branch in Brussels has been severely limited due to the discontinuation of the branch, and as to the branch in India, the budget has been too promising.

The cultural project financial statements are listed in Appendix 1.

In addition to the income visible in the accounts, DCI's activities are largely based on in-kind services such as free labour, premises, marketing, etc. The accounts show that the invisible co-financing amounts to DKK 20 million, thus a total visible and invisible co-financing of approx. DKK 30.0 million in addition to the government grant of DKK 14.6 million, i.e. a total visible and invisible revenue of DKK 46.6 million.

## Management commentary

### Equity

With a total loss of approx. DKK 1.7 million, DCI's equity amounts to DKK 14.8 million at the end of 2019 (including the value of property in St. Petersburg). The equity mainly stems from the net proceeds from the sale of a property in Edinburgh in 2015.

At the beginning of 2019, DCI had securities worth DKK 14.5 million. At the end of 2019, the value of the portfolio had dropped to DKK 11.6 million.

### Outlook

The branch in India became a reality in 2018 and was officially opened in January 2019 by the Prime Minister at the time, Lars Løkke Rasmussen. DCI worked hard to establish a fully equipped office in 2019. DCI expects that the final legal registration will fall into place in 2020, thus carrying through a busy schedule with activities that are fully financed. The establishment of the Indian branch has been financed partly by the Carlsberg Foundation, partly by savings.

As from 2020, DCI will define the branches in Brazil, Turkey and Ukraine as small institutes (offices) and the other branches in China, Russia, India, Latvia and Poland as large institutes. However, the branch in Poland will be closed by the end of 2020.

The reorganisation of the branch in Brazil to a smaller office and the closing of the branch in Poland represent an agile organisation of the geographic location of DCI's branches in which the development and maintenance of intercultural dialogue are of most cultural and political relevance. Furthermore, an economic slowdown was needed after years with the possibility of spending savings. The initiatives in Turkey and Ukraine will still be financed partly by DCI savings.

The mix of activities is expected to change in the next few years, thus focusing more on larger cross-over projects. Grants for larger projects may, to a higher degree, cover the total costs of the activities. DCI expects to launch several pilot projects during 2020 that support this strategy and lead to the implementation of bigger initiatives in 2021.

DCI has budgeted for activity income of DKK 15.3 million in 2020, or DKK 10.7 million excluding partnership income (EU-Interreg projects), i.e. DKK 0.6 million more than recognised in the financial statements for 2019.

Besides being a lead partner as well as partner on two EU projects that together are expected to account for DKK 1.1 million (a total of DKK 5.6 million including partnership income), the activities in India, Turkey and Ukraine are expected also to contribute to an increased revenue in 2020.

## Management commentary

Overall, in 2020, DCI budgets for an operating loss of approx. DKK 2 million. Equity, which at the end of 2019 amounts to DKK 14.8 million, is expected to be reduced to approx. DKK 12.8 million by the end of 2020, and further reduced in 2021.

In the next few years, the equity will be spent for purposes entailing:

- Activities in India, Turkey and Ukraine.
- Increased visibility in Denmark. DCI will continue communication in Denmark.
- Better financing options. DCI will continue to allocate resources to the development and fundraising of larger cross-over projects that may cover its overheads.
- Streamlining the execution of tasks. DCI has implemented the Microsoft 0365 platform and a CRM system to support the cross-over projects. They will be expanded by a joint reporting tool in 2020.

Meanwhile, it will be necessary to work on obtaining additional, external funding to maintain the level of activity after 2021.

### 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 global COVID-19 pandemic that affects the whole world this spring will influence the level of activity in 2020. It may be expected that a large part of the activities during the first six months of the year will be cancelled or postponed until the autumn. The pandemic is estimated to have an effect on the total revenue and the budgeted contribution margin. Consequently, it may be expected to have an adverse effect on the results budgeted for 2020.

## 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 Ministry of Culture, including the following fundamental principles:

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.

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 2017 to 2020.

### 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.

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.

## Accounting policies

### 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 as well as 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.

### 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.

## **Accounting policies**

### **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 exchange rate by Danmarks Nationalbank.

## Income statement for 2019

	<u>Note</u>	<u>2019 DKK</u>	<u>Budget (unaudited) 2019 DKK'000</u>	<u>2018 DKK'000</u>
National Budget, operating grant	1	14,600,000	14,800	14,800
Grants, donations received from foundations, enrolment fees	2	10,177,172	17,800	8,724
Other income	3	<u>2,384,123</u>	<u>1,750</u>	<u>2,731</u>
<b>Income</b>		<b><u>27,161,295</u></b>	<b><u>34,350</u></b>	<b><u>26,255</u></b>
Wages and salaries, head office and branches	4	14,155,910	13,500	12,644
Other operating expenses, head office and branches	5	7,295,069	8,115	7,496
Activity expenses	6	<u>9,744,677</u>	<u>18,100</u>	<u>10,164</u>
<b>Expenses</b>		<b><u>31,195,656</u></b>	<b><u>39,715</u></b>	<b><u>30,304</u></b>
<b>Operating loss</b>		<b><u>-4,034,361</u></b>	<b><u>-5,365</u></b>	<b><u>-4,049</u></b>
Financial income	7	2,735,265	600	914
Financial expenses	8	<u>-392,589</u>	<u>-200</u>	<u>-2,213</u>
<b>Loss for the year</b>		<b><u><u>-1,691,685</u></u></b>	<b><u><u>-4,965</u></u></b>	<b><u><u>-5,348</u></u></b>



## Income statement for 2019

compiled in accordance with the framework agreement for 2017 to 2020

### Income statement, total activities 2019

	<u>Note</u>	<u>2019 DKK</u>	<u>Budget according to framework agreement (unaudited) 2019 DKK'000</u>
National Budget, operating grant and pool funding		15,342,096	15,600
Other grants from national institutions	9	2,050,124	8,500
Grants/donations received from local grantors, private and international institutions	9	6,785,524	7,200
Income from income-generating activities		2,862,004	3,000
Other operating income (including financial income)		<u>2,849,798</u>	<u>400</u>
<b>Income</b>		<b><u>29,889,546</u></b>	<b><u>34,700</u></b>
Grant-financed activities		29,324,887	37,400
Income-generating activities		<u>2,256,344</u>	<u>2,300</u>
<b>Expenses</b>		<b><u>31,581,231</u></b>	<b><u>39,700</u></b>
<b>Loss for the year</b>		<b><u><u>-1,691,685</u></u></b>	<b><u><u>-5,000</u></u></b>
Expected equity at 31 December excluding properties (DKKm)		14.77	11.46

The budget is not the one approved by the Board of the Danish Cultural Institute for 2019, but the budget approved by the Danish Agency for Culture and Palaces, see the Danish executive order on finances and administration of beneficiaries of operating contributions from the Ministry of Culture

**Balance sheet at 31 December 2019**

	<u>Note</u>	<u>2019 DKK</u>	<u>2018 DKK'000</u>
Development projects completed	10	220,429	67
Development projects in progress	10	0	241
Land and buildings	11	1,500,000	1,500
Other fixtures and fittings, tools and equipment	12	75,541	110
Deposits		<u>324,176</u>	<u>324</u>
<b>Property, plant and equipment</b>		<u><b>2,120,146</b></u>	<u><b>2,243</b></u>
Receivables		1,948,871	2,082
Prepayments		<u>1,024,013</u>	<u>1,127</u>
<b>Receivables</b>		<u><b>2,972,884</b></u>	<u><b>3,209</b></u>
<b>Other investments</b>		<u><b>11,621,808</b></u>	<u><b>14,475</b></u>
<b>Cash</b>	13	<u><b>4,388,408</b></u>	<u><b>2,801</b></u>
<b>Current assets</b>		<u><b>18,983,100</b></u>	<u><b>20,485</b></u>
<b>Assets</b>		<u><u><b>21,103,246</b></u></u>	<u><u><b>22,728</b></u></u>

**Balance sheet at 31 December 2019**

	<u>Note</u>	<u>2019 DKK</u>	<u>2018 DKK'000</u>
Earmarked for expansion and development 2019 to 2020		6,267,877	7,900
Value of property in St. Petersburg		1,500,000	1,500
Other equity		<u>7,000,000</u>	<u>7,060</u>
<b>Equity</b>	14	<b><u>14,767,877</u></b>	<b><u>16,460</u></b>
Transferred from allocation of activities from previous years		423,752	354
Change in provisions for the year		<u>52,471</u>	<u>69</u>
<b>Provisions</b>		<b><u>476,223</u></b>	<b><u>424</u></b>
Accruals for employee benefits		1,045,813	1,033
Other payables		1,353,480	1,571
Deferred income		<u>3,459,853</u>	<u>3,240</u>
<b>Short-term liabilities other than provisions</b>		<b><u>5,859,146</u></b>	<b><u>5,844</u></b>
<b>Liabilities other than provisions</b>		<b><u>6,335,369</u></b>	<b><u>6,268</u></b>
<b>Equity and liabilities</b>		<b><u>21,103,246</u></b>	<b><u>22,728</u></b>
Liabilities	15		

## Notes

	<b>2019</b> <b>DKK</b>	<b>2018</b> <b>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>14,600,000</u></b>	<b><u>14,800</u></b>
<b>2. Grants, donations received from foundations, enrolment fees</b>		
Grants, donations received from foundations, enrolment fees	9,435,076	7,840
National Budget, pool funding	800,000	800
Unspent pool funding transferred from 2018	42,031	126
Unspent pool funding transferred to 2020	<u>-99,935</u>	<u>-42</u>
	<b><u>10,177,172</u></b>	<b><u>8,724</u></b>
<b>3. Other income</b>		
The Wisti Foundation for International Understanding	250,000	230
The Carlsberg Foundation	1,755,388	1,704
LEGO	206,519	698
Other income	<u>172,216</u>	<u>99</u>
	<b><u>2,384,123</u></b>	<b><u>2,731</u></b>
<b>4. Wages and salaries, head office and branches</b>		
Denmark	5,740,852	5,550
Foreign countries	<u>8,415,058</u>	<u>7,094</u>
	<b><u>14,155,910</u></b>	<b><u>12,644</u></b>
<b>5. Other operating expenses, head office and branches</b>		
Denmark	2,747,104	3,080
Foreign countries	<u>4,547,965</u>	<u>4,416</u>
	<b><u>7,295,069</u></b>	<b><u>7,496</u></b>
<b>6. Activity expenses</b>		
Cultural projects	6,030,409	7,492
EU projects	1,493,566	146
Field trips and visitors' programmes, income-generating activities	910,558	625
Other income-generating activities	<u>1,310,144</u>	<u>1,901</u>
	<b><u>9,744,677</u></b>	<b><u>10,164</u></b>

## Notes

	<b>2019</b>	<b>2018</b>
	<b>DKK</b>	<b>DKK'000</b>
<b>7. Financial income</b>		
Interest income received from banks	7,014	6
Return on securities	674,651	724
Unrealised capital gains on securities	1,131,568	61
Realised capital gains on securities	<u>922,032</u>	<u>123</u>
	<b><u>2,735,265</u></b>	<b><u>914</u></b>
<b>8. Financial expenses</b>		
Interest expenses paid to banks	16,916	32
Bank fees	91,530	73
Cash exchange losses	133,883	156
Unrealised capital losses on securities	98,217	1,601
Realised capital losses on securities	<u>52,043</u>	<u>352</u>
	<b><u>392,589</u></b>	<b><u>2,213</u></b>
<b>9. Grants/donations received from foundations etc</b>		
<b>Grants received from national institutions</b>		
University of Copenhagen	89,046	0
The Ministry of Culture Denmark, the International Cultural Panel	1,617,421	1,218
Danish Arts Foundation	268,216	0
Danish Arts Foundation, SNYK	10,000	10
Danish Embassy in Tallinn	9,834	0
Danish Embassy in Riga	29,418	0
Danish Embassy in China	26,189	0
The Ministry of Foreign Affairs of Denmark	0	127
The Royal Danish Academy of Fine Arts	<u>0</u>	<u>49</u>
<b>Total grants received from national institutions</b>	<b><u>2,050,124</u></b>	<b><u>1,404</u></b>
<b>Grants received from local grantors</b>		
The City of Copenhagen	2,884	369
Copenhagen Film Fund	5,708	29
Wonderful Copenhagen	0	8
K.I.T.	<u>0</u>	<u>17</u>
<b>Total grants received from local grantors</b>	<b><u>8,592</u></b>	<b><u>423</u></b>

## Notes

	<b>2019</b>	<b>2018</b>
	<b>DKK</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	54,488	34
Danes Worldwide	1,875	0
HFC Efterslægten	3,896	0
Teatercentrum	45,401	0
Langgaard Fonden	7,759	60
The Wisti Foundation for International Understanding	342,985	279
Velux Fonden	9,354	0
LEGO	206,519	698
Esbjerg Ungdomssymfoniorkester	126,000	0
Boligfonden Kuben	85,000	0
Knud Højgaards Fond	145,000	100
Danmarks-Samfundet	250,000	0
Jan Gehl Architects	9,832	0
HS Pedersen	9,844	0
The Danish Agriculture & Food Council	5,880	0
Linak A/S	12,500	0
The Carlsberg Foundation	1,755,388	1,704
Nordea Fonden	14,000	0
S.C. Van Fonden	528	30
Scenatet, ensemble for art and music	66,036	0
The William Demant Foundation	0	44
The Uppercut Dance Theatre	0	23
<b>To be carried forward</b>	<b>3,152,285</b>	<b>2,972</b>

## Notes

	<b>2019</b>	<b>2018</b>
	<b>DKK</b>	<b>DKK'000</b>
<b>9. Grants/donations received from foundations etc (continued)</b>		
<b>Brought forward</b>	<b>3,152,285</b>	<b>2,972</b>
Otto Mønsted fonden	0	100
Nordgren A/S	0	26
M. Goldsmidt Holding A/S	0	43
The Danish Industry Foundation	0	150
Hermod Lannungs Fond	0	3
H.K.H. Kronprins Frederik og Kronprinsesse Marys fond	0	100
Falck A/S	0	2
Det Obelske Familiefond	0	130
Carl Nielsen og Anne Marie Carl-Nielsens Legat	0	46
A.P Møller og Hustru Chastine McKinney Møllers Fond til almene Formaal	0	150
<b>Total donations received from Danish private grantors</b>	<b>3,152,285</b>	<b>3,722</b>
<b>Donations received from international grantors</b>		
AF Institute	3,282	0
Allfilm	11,194	0
ATOM ART	11,940	0
British Council	55,975	0
Creative Europe	135,834	0
Embassy of Iceland	209,026	0
EMS le Marronier	5,000	0
EU Commision	17,786	0
EUNIC	99,666	13
European Union	19,387	44
Finland Embassy in China	4,918	0
Goethe Institute	181,587	0
H AidAN	19,015	0
Iceland Embassy in China	4,918	0
Institute Francais	3,735	0
INTERREG BSR	986,781	108
Italian Cultural Institute	3,282	0
Kruks Film	17,076	0
The Nordic Culture Fund	17,578	131
<b>To be carried forward</b>	<b>1,807,980</b>	<b>296</b>

## Notes

	<b>2019</b>	<b>2018</b>
	<b>DKK</b>	<b>DKK'000</b>
<b>9. Grants/donations received from foundations etc (continued)</b>		
<b>Brought forward</b>	<b>1,807,980</b>	<b>296</b>
The Nordic Council of Ministers	515,652	59
Norwegian Embassy	5,000	0
Sao Paulo City Hall	7,245	0
Shanghai CTS	11,000	0
Sino Danish Waterforum	14,500	0
Swedish Embassy in China	4,938	0
UNESCO	18,183	5
Yitay	517,055	0
Panbaltica	55,999	0
Riga Circus	4,915	0
Fa Filma	2,988	0
Studio Nominum	3,734	0
Alma Mater Foundation	40,870	0
Northern Dimension Partnership on Culture	9,169	0
Kragh & Berglund China	96,511	0
City of Pori	37,344	0
Leontief	0	17
CAIXA Cultural	0	366
<b>Total donations received from international grantors</b>	<b>3,153,083</b>	<b>744</b>
<b>Other income (enrolment fees, refunds, tickets, etc)</b>	<b>471,564</b>	<b>927</b>
<b>Total grants/donations received</b>	<b>8,835,648</b>	<b>7,220</b>



## Notes

	<b>Development projects in progress DKK</b>	<b>Development projects completed DKK</b>
<b>10. Intangible assets</b>		
Cost at 1 January 2019	240,969	459,850
Additions	52,938	293,907
Disposals	<u>-293,907</u>	<u>0</u>
<b>Cost at 31 December 2019</b>	<b><u>0</u></b>	<b><u>753,757</u></b>
Amortisation and impairment losses at 1 January 2019	0	-392,658
Amortisation for the year	<u>0</u>	<u>-140,670</u>
<b>Amortisation and impairment losses at 31 December 2019</b>	<b><u>0</u></b>	<b><u>-533,328</u></b>
<b>Carrying amount at 31 December 2019</b>	<b><u>0</u></b>	<b><u>220,429</u></b>
	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>DKK</u></b>	<b><u>DKK'000</u></b>
<b>11. Buildings</b>		
Cost at 1 January 2019	4,291,307	4,291
Financed by grants of	<u>-4,291,307</u>	<u>-4,291</u>
<b>Net cost at 31 December 2019</b>	<b><u>0</u></b>	<b><u>0</u></b>
Revaluation at 1 January 2019	1,500,000	1,500
Revaluation for the year	<u>0</u>	<u>0</u>
<b>Revaluation at 31 December 2019</b>	<b><u>1,500,000</u></b>	<b><u>1,500</u></b>
<b>Carrying amount at 31 December 2019</b>	<b><u>1,500,000</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 2019	2,559,060
Additions	33,319
Disposals	<u>0</u>
<b>Cost at 31 December 2019</b>	<b><u>2,592,379</u></b>
Depreciation and impairment losses at 1 January 2019	-2,448,670
Depreciation for the year	-68,168
Reversals relating to disposals	<u>0</u>
<b>Depreciation and impairment losses at 31 December 2019</b>	<b><u>-2,516,838</u></b>
<b>Carrying amount at 31 December 2019</b>	<b><u>75,541</u></b>

	<b>2019 DKK</b>	<b>2018 DKK'000</b>
<b>13. Cash</b>		
Cash in hand	2,549	4
Danske Bank	2,667,317	1,607
Nykredit	-839	542
Cash at foreign branches	<u>1,719,381</u>	<u>648</u>
	<b><u>4,388,408</u></b>	<b><u>2,801</u></b>
<b>14. Equity</b>		
Equity at 1 January 2019	16,459,563	21,807
Loss for the year	<u>-1,691,686</u>	<u>-5,347</u>
	<b><u>14,767,877</u></b>	<b><u>16,460</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 2019

	<u>Income DKK</u>	<u>Payroll DKK</u>	<u>Other expenses DKK</u>	<u>Profit/loss DKK</u>
Grant-financed activities	-7,304,287	2,780,617	4,743,359	219,689
Income-generating activities	<u>-2,872,885</u>	<u>748,475</u>	<u>1,472,227</u>	<u>-652,183</u>
<b>Total</b>	<b><u>-10,177,172</u></b>	<b><u>3,529,091</u></b>	<b><u>6,215,586</u></b>	<b><u>-432,494</u></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 and the Institute’s activity funds of DKK 800 thousand.

Field trips are financed entirely by the party ordering them, typically local authorities, organisations, etc. Other income-generating activities can be Danish language courses, visitors’ programmes, etc.

Firstly, 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.

Subsequently, all field trips and other income-generating activities are listed for each country.

Both lists are based on the following method of accounting: Several projects are multi-annual, but only the costs incurred and income received in 2019 are included in the calculation.

As far as the cultural projects are concerned, net results are calculated as operating contribution margin because the calculation usually does not include wages and salaries for DCI’s permanent staff or overhead costs. Wages and salaries are only included in the project financial statements if the external staff has been employed on a project.

The two multi-annual EU projects, Creative Ports and UrbCultural Planning, have also been recognised as part of the grant-financed activities. Only DCI income appears from the projects. This also applies to UrbCultural Planning on which DCI is the lead partner. In its capacity as lead partner, DCI also allocates EU income to the other partners – these funds are not shown in the project financial statements.

## Appendix 1: Overview of the Danish Cultural Institute projects in 2019

In 2019, a total of DKK 7.3 million was recognised as income regarding cultural projects (grant-financed activities). The associated costs have been calculated at DKK 7.5 million. Consequently, DCI suffers a loss of approx. DKK 318 thousand. The loss originates in part from the EU projects to which we have redesignated payroll costs of DKK 595 thousand. Additionally, approx. DKK 360 thousand of this loss constitutes a budgeted withdrawal from the savings in order to finance the investments and the pop-up projects related to areas that are strategically significant to DCI. Moreover, another DKK 305 thousand has been spent on start-up activities in Ukraine and the new branch in India. Consequently, a total amount of approx. DKK 660 thousand has been withdrawn from DCI's capital and reserves as well as return on investments. This amount has been classified as a loss in the project overview.

The loss is partly compensated for by projects generating a profit. In 2018, DCI had a project in Riga that turned a former tobacco factory into a cultural centre, which led to a loss of DKK 400 thousand. However, in 2019, DCI received DKK 160 thousand for part-financing of the loss for which reason the project has generated a profit this year. The branch in Beijing has received income of approx. DKK 133 thousand from a cultural collaboration with Handan, located south of Beijing, and another DKK 100 thousand from Kragh & Berglund in China. These projects also contribute a decent profit.

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 2.9 million and costs of DKK 2.2 million and with it a profit of approx. DKK 650 thousand. On account of this, government grants are not spent on this type of activities.

## Cultural project financial statements 2019

	Income DKK	Payroll DKK	Other expenses DKK	Profit/loss DKK
Party by KVINFO on 8 March in Vega	-10,000	0	10,000	0
DCI at Ungdommens Folkemøde 2019	-49,924	6,000	73,848	29,924
DCI & CPH Stage 2019	0	0	225	225
Cultural Meeting Mors 2019	-72,379	3,000	69,379	0
The Art of Transformation	-17,030	0	16,694	-336
Creative Ports EU project	-377,842	341,410	95,133	58,701
Other projects – Copenhagen	-57,800	2,000	16,384	-39,416
<b>Denmark, total</b>	<b>-584,974</b>	<b>352,410</b>	<b>281,663</b>	<b>49,099</b>
Other projects – Belgium	-45,049	9,577	28,887	-6,586
<b>Belgium, total</b>	<b>-45,049</b>	<b>9,577</b>	<b>28,887</b>	<b>-6,586</b>
Ukraina Libraries	-33,000	11,008	20,799	-1,193
50th anniversary of the arrival of Polish Jews in Denmark	-72,943	27,536	45,407	0
Nordic Literature in Polish Libraries	-75,185	0	75,185	0
WRO Media Art Biennale	-18,262	0	18,262	0
Future Living	-184,900	49,824	136,927	1,852
Exhibition of Polish posters	-27,810	0	27,810	0
Millennium Docs Against Gravity	-10,000	0	10,065	65
Exhibition Bloom/Wroblewski	-22,428	4,699	17,729	0
Danish-Polish children's theatre	-36,028	0	36,028	0
Visit Denmark/International Cultural Centre in Cracow	-18,850	3,330	16,833	1,283
50th anniversary of the settlement of Polish Jews in Denmark	-6,000	6,000	0	20,096
Democracy Festivals	0	0	20,096	0
Warsaw Autumn	-10,008	0	10,008	0
Musica Ficta	-17,206	0	17,206	0
Idealistic Festival	-10,297	0	10,297	0
100th anniversary of Danish-Polish diplo- macy	-128,652	11,764	116,889	0
Growroom/Sigrids Stue	-12,589	0	12,589	0
Other projects - Poland	-98,258	4,216	81,596	-12,446
<b>Poland, total</b>	<b>-782,417</b>	<b>118,348</b>	<b>673,726</b>	<b>9,657</b>

## Cultural project financial statements 2019

	Income DKK	Payroll DKK	Other expenses DKK	Profit/loss DKK
Turkish stage performers visit theatre	-19,305	0	19,305	0
Danish Children's Festival in Istanbul	0	4,359	10,342	14,701
Randi and Katrine Residency Istanbul Modern	0	0	20,595	20,595
Performance MUSE and Workshop, Ankara	0	0	14,746	14,746
Other projects - Turkey	0	7,500	24,885	32,385
<b>Turkey, total</b>	<b>-19,305</b>	<b>11,859</b>	<b>89,873</b>	<b>82,427</b>
Tobacco factory building competition	-160,000	0	-2,920	-162,920
Creative Business Cup BSR	-18,657	0	18,657	0
Creative Industry Matchmaking Conference	-50,994	50,994	0	0
BSR Culture Planning	49,100	0	7,696	56,796
Urban Cultural Planning EU project	-791,840	849,477	203,589	261,226
"3xHess" Jazz Concert I	-23,840	16,526	7,470	157
Mogens Dahl Chamber Choir	-94,440	39,202	57,352	2,115
Dannebrog 800 in Tallinn	-60,000	11	23,950	-36,039
Dannebrog 800: SMK Golden Age exhibition	-211,775	0	211,775	0
Dannebrog 800: Concerto Copenhagen	-462,570	239,775	222,794	0
Dannebrog 800: Danish Queen's Garden	-193,660	8,327	185,333	0
Dannebrog 800: public celebration on Vabaduse Väljak	-84,127	65,445	18,490	-193
Jan Gehl: Changing Mindsets in Kaunas	-9,832	9,203	1,942	1,313
Northern Lights Film Festival in Belarus		86	23,917	24,003
Media projects 2019	-20,000	4	42,221	22,225
Dannebrog 800: Photo exhibition of Dannebrog	-30,018	5,114	24,904	0
Creative Business Cup	-9,844	10,301	2,474	2,931
EUNIC Baltic Roadtrip 2019	-83,478	35,940	57,038	9,500
Carnival Youth in Aarhus	-35,981	0	35,981	0
Other projects, the Baltic States	-56,170	15,389	57,907	17,126
<b>The Baltic States, total</b>	<b>-2,348,125</b>	<b>1,345,796</b>	<b>1,200,570</b>	<b>198,240</b>

## Cultural project financial statements 2019

	<b>Income</b>	<b>Payroll</b>	<b>Other</b>	<b>Profit/loss</b>
	<b>DKK</b>	<b>DKK</b>	<b>expenses</b>	<b>DKK</b>
	<b>DKK</b>	<b>DKK</b>	<b>DKK</b>	<b>DKK</b>
Ukraine/media, audio, radio production	-115,970	86,614	27,118	-2,238
Strengthen library management in Ukraine	0	118,336	50,824	169,160
Danish writers at the Odessa Literature Festival	-98,216	1,000	96,510	-706
Other projects, - Ukraine	0	7,407	15,657	23,065
<b>Ukraine, total</b>	<b>-214,186</b>	<b>213,357</b>	<b>190,110</b>	<b>189,281</b>
WATERFRONT, neighbourhood & comm.	-430,338	78,126	352,213	0
Jacob Anderskov	-20,679	10,000	10,679	0
KEA exhibition	-17,663	0	17,663	0
NMR conference	-14,987	0	13,946	-1,041
Krass Clement photo exhibition	-101,543	12,080	89,463	0
Koppels quartets played by Russian musicians	-11,974	5,104	6,870	0
SIGNA at the New European Theatre Festival	-50,000	0	48,821	-1,179
Søren Ulrik Thomsen in St. Petersburg	-16,000	0	17,404	1,404
“Nordic composers go East”	-17,391	13,593	3,798	0
Nordic Weeks 2019	-104,513	4,847	97,852	-1,813
“Nordic Counterpoint” and Sound Ways	-22,474	18,577	3,897	0
A Danish-Nordic musical family chronicle	-15,000	14,949	0	-51
REAL PEOPLE’S REAL STORIES (?)	-87,585	0	87,585	0
TRUST – Health and Happiness of the Nordics	-15,996	0	15,996	0
Other projects - Russia	-79,514	3,322	82,305	6,114
<b>Russia, total</b>	<b>-1,005,657</b>	<b>160,597</b>	<b>848,493</b>	<b>3,434</b>

## Cultural project financial statements 2019

	<b>Income</b> <b>DKK</b>	<b>Payroll</b> <b>DKK</b>	<b>Other</b> <b>expenses</b> <b>DKK</b>	<b>Profit/loss</b> <b>DKK</b>
Teatercentrum 2018	-14,815	0	14,736	-79
Shorelines exhibition	-29,867	0	29,867	0
Nordic Film Festival 2019	-25,482	12,092	12,345	-1,045
Logistics for Gender workshop	-89,046	0	89,046	0
Iron Women & Red Stockings	-30,000	1,429	40,971	12,400
Gender Workshop	-124,716	20,462	44,916	-59,337
Gender & Violence	-44,238	37,047	7,191	0
Future Female Sounds by Tia Torpe	-19,379	9,870	11,301	1,792
Esbjerg Ungdoms Symfoniorkester	-126,000	0	70,955	-55,045
Zodiac	-48,600	10,429	38,171	0
Danish Culture in Inner Mongolia	-135,829	105,840	29,989	0
Diversity Week with Embassy	-4,478	1,989	2,464	-25
Reeperbahn Festival Beijing	-9,814	597	8,148	-1,069
Sisters in the Sky	-55,797	14,541	41,256	0
Freestyle Phanatix tour	-220,220	0	220,220	0
Handan in Denmark	-16,906	0	16,906	0
Handan Cultural Development	-36,200	0	0	-36,200
Handan	-96,533	0	0	-96,533
Fathers Mother	-15,300	0	14,474	-826
Logistics of BN exhibition	-48,552	0	48,552	0
PhaseOne media event	-19,157	0	0	-19,157
Sino-Danish Water Forum	-14,500	1,144	5,290	-8,066
Sandberg in China	-21,560	21,560	0	0
K&B China	-98,213	0	0	-98,213
Other projects - China	-8,290	790	9,770	2,270
<b>China, total</b>	<b>-1,353,492</b>	<b>237,790</b>	<b>756,568</b>	<b>-359,134</b>



## Cultural project financial statements 2019

	Income DKK	Payroll DKK	Other ex- penses DKK	Profit/loss DKK
Orelhao composer residency - Scenatet	-93,240	8,743	1,823	-82,674
CineKlap – film presentation	-18,412	5,711	12,701	0
Dansque Festival 2018	-24,647	13,989	10,659	0
Dia da Europa 2019	-57,244	54,279	3,405	440
Gismondi/Møller Bigband, DK	-15,000	15,000	0	0
Cineklap 2019	-34,020	17,907	16,113	0
Casa Europa – FLIP	-58,458	8,132	50,369	43
VIGAS Residency DK	-20,000	0	24,321	4,321
Lars Møller Residency BR	-83,846	5,303	76,545	-1,998
Ponte Nórdica Pocket 2019	-15,000	1,675	13,104	-221
Mentoring Lab	-14,231	3,349	10,762	-120
MINIMAD - kickstarter	-23,741	7,500	16,241	0
Orelhão composer residency - Scenatet - 2019	-113,836	75,033	38,755	-48
Other projects - Brazil	-11,611	0	11,778	167
<b>Brazil</b>	<b>-583,285</b>	<b>216,620</b>	<b>286,577</b>	<b>-80,089</b>
Opening of branch in India	-100,000	43,170	172,176	115,346
Nordic Gender	-50,000	49,750	256	6
Golden Days “Meanwhile in...”	-15,500	0	15,089	-411
Evolving/Eroding	-37,600	0	44,696	7,096
Why Should Binary Have All The Pun	-27,600	0	27,600	0
Goa Photo Festival	-22,049	12,500	9,549	0
Tranquebar - 400 stories	-18,380	0	18,380	0
Long Nights of Literatures	-24,620	0	24,620	0
DCII - EUNIC	0	0	38	38
Tranquebar Typography	-34,570	8,844	25,726	0
Hesselholdt & Mejlvang in India	-27,748	0	27,748	0
Dance tour from India	-9,729	0	21,014	11,284
<b>India, total</b>	<b>-367,796</b>	<b>114,264</b>	<b>386,891</b>	<b>133,359</b>

**Field trips and other income-generating projects**

	<b>Income DKK</b>	<b>Expenses DKK</b>	<b>Profit/loss DKK</b>
The Baltic States	-551,037	361,178	-189,859
Belgium	-127,649	188,694	61,045
Brazil	-50,990	89,443	38,453
Denmark	-1,617,058	1,208,667	-408,391
Poland	-227,221	195,277	-31,944
Russia	298,931	177,444	-121,487
	<b>-2,872,885</b>	<b>2,220,702</b>	<b>-652,183</b>

## Appendix 2: Reporting on the framework agreement 2019

The Danish Cultural Institute (“DCI”) has entered into a framework agreement with the Ministry of Culture Denmark (“MCD”) for the period 2017 to 2020.

The following pages specify the progress in 2019 with regard to the overall targets of the framework agreement and summarise DCI’s approach to ”recommendations on good governance in self-governing institutions”.

DCI has entered into an agreement with the Danish Agency for Culture and Palaces (“DACP”) about the adjustment of performance targets based on a new supplement to the 2018 strategy, which increases the focus on relevance, visibility and a sustainable economy. The change became effective from 2019. The table below indicates present, changed as well as dead targets and key figures.

The DCI activities will be further described in the management commentary for 2019.

### Performance for 2019

All performance targets have been met, except those for projects with the Danish institutes (1.1.e), the number of smaller cultural projects (1.2.c), and the number of advisory services (2.1.a and 2.1.c). Overall, DCI considers the performance for the year satisfactory. Frequent dialogue and a returning collaboration with the Danish institutes have been initiated and will continue in 2020. In 2019, there was an increased focus on the size rather than the number of projects as regards the key figure for the number of activities, which is the reason why the number of larger projects are now measured.

### Performance target 1.1. Better geographical reach

One target is dead, three targets have been achieved, and one target has been partly achieved in the table below as regards the performance targets and key figures relating to item 1.1. “Better geographical reach”:

- The initiatives in Germany have been cancelled due to the discontinuation of the institute in Brussels.
- Coordination of the initiatives in Asia has been implemented.
- Four major cultural initiatives were completed in 2019, which are two more than anticipated.
- 12 pop-up events were carried out in Turkey, Ukraine and Belarus. That is seven more compared to the performance target for 2019.
- The target of carrying out three projects with the Danish institutes have not been achieved. Frequent dialogue and exchange of experience were initiated in 2019, just as a project was completed in cooperation with DEDI and DID. The other Danish institutes were also invited to participate. The performance target included three projects.

## Appendix 2: Reporting on the framework agreement 2019

### **Performance target 1.2. To inspire Danish artists and cultural players for the purposes of development**

This group of targets originally included three performance targets. The key figure on the number of cultural events has been changed to the number of projects broken down by larger and smaller projects. Overall, all targets have been fulfilled except for the key figure on smaller projects.

- 103 artist evaluations have been completed. The target was 50.
- The evaluations show an average rating of 6.5 on a scale from 1 to 7. The target was >6.
- The key figure on the number of cultural events is dead.
- A new key figure on the number of cultural events broken down by revenue shows 166 projects with revenue below DKK 100 thousand and 20 projects with revenue above DKK 100 thousand. 205 and 15 projects, respectively, were expected. Consequently, the level of smaller projects has not been achieved. On the other hand, the average revenue of each project has increased from approx. DKK 24 thousand in 2018 to DKK 39 thousand in 2019.

### **Performance target 1.3. To develop the quality of cross-over projects**

This group previously included a performance target on cross-over projects. This target has now been replaced by a performance target on the initiation of pilot projects that are included in a long-term strategy on increased co-financing and projects of bigger volume. The target for pilot projects is = in 2019 and 6 in 2020. The necessary initiatives were implemented in 2019, enabling DCI to be successful with this target in 2020.

### **Performance target 1.4. To create visibility in Denmark regarding DCI's activities abroad**

This group only includes one performance target. Originally, the target was mention in larger media by 10 times a year. The level has now been adjusted to 20. At first, the number was determined based on manual counting of the media coverage. Upon the strengthening of the area and the fact that we are now able to retrieve data from Infomedia directly, we reached a mention in the media of 287 during 2019. Add to this, a considerable number of radio and television interviews, which have not been included. This entails that the target has been reached.

In 2019, the press coverage of DCI was characterised by the opening of the institute in India, new faces (the employment of Henriette Borg Reinholt, Head of Institute, and Camilla Mordhorst's first months in the job), and the celebration of the Dannebrog that fell from the sky 800 years ago. Moreover, DCI is often used as a source of expertise when it comes to eyewitness accounts from the countries in which we are represented – just as DCI is credited and referred to in many different situations.

## Appendix 2: Reporting on the framework agreement 2019

Examples of articles and interviews:

- Weekendavisen (2 August 2019), interview with Camilla Mordhorst about "culture on edge".
- Berlingske (17 January 2019), small note on the opening of the institute in India by Lars Løkke Rasmussen.
- Information (5 April 2019), a large article about Denmark's lack of knowledge about India – Thomas Sehested, Head of Institute, was interviewed.
- Kulturmonitor (24 August 2019), interview of Eric Messerschmidt about the need to change Danish artists' approach to the world outside Europe.
- Kulturmonitor (9 October 2019) about the employment of Henriette Borg Reinholdt as new Head of Institute in Russia.
- Kulturmonitor (9 July 2019), interview with Camilla Mordhorst as to whether we are too occupied by own national agendas.
- Kulturmonitor (5 March 2019), interview with Camilla Mordhorst "conversation between Denmark and China about equality".

### **Performance target 2.1. Strengthen professional advice to Danish (and foreign) partners**

The group includes three targets on the core task, which is the guidance of Danish and foreign partners. All target levels were adjusted in 2019. Target achievement includes:

- 42 evaluations on consulting assignments have been made in cooperation with Rambøll. The target was 50.
- The evaluations show an average rating of 6.6 on a scale of 1 to 7. The target was >6.
- The number of consulting assignments carried out was 51. The target was 90.

### **Good governance in self-governing institutions**

DCI continuously focuses on recommendations for good governance in self-governing institutions and assesses to comply with the recommendations specified. In 2018, the Board of DCI decided to introduce remuneration for the board members. Total remuneration of DKK 165 thousand has been paid to the seven external board members regarding the election period 2018-2019.

ACTIVITY	PERFORMANCE TARGET	OPERATIONAL TARGET	2017	2018	2019	COMMENTS	2020
Cultural project	1.1 Better geographical reach	DCI carries out a number of major cultural projects in German-speaking areas with a target of 5 in 2017 and 7-10 in 2018 to 2020.  Indicator: Number of major cultural projects. Smaller cultural projects can be grouped to form a larger project.	Target: 5 Achieved: 2	Target: 7 Achieved: 2	Target: 0 (changed from 8) Achieved: 0	The DCI branch in Brussels was closed in 2019.	0 (changed from 10)
		DCI undertakes to coordinate initiatives in Asia according to ICP's strategic action plan through the DCI branch in China.  Indicator: According to agreement	Agreement with DACP on coordination of ICP initiatives in Asia.	Meetings have been held on an ongoing basis to coordinate initiatives.	Completed	DCI coordinated not less than four concerts by Danish ensembles in China, in the wake of their performance in South Korea.	
		As a minimum, DCI takes part in 1 major cultural event or collaborative project, which includes at least 1 partner from a country where DCI does not have any branch.  Indicator: Number of major collaborative project completed.	Target: min 1 Achieved: 3  3 applications for major collaborative projects have been filed.	Target: 2 Achieved: 4  2 major EU grants, of which 1 with DCI as lead partner	Target: 2 Achieved: 4	Cultural Bridges in Ukraine: DCI was a member of the monitoring committee. The project was led by the British Council.  Lead Partner on Waterfront – launched in St. Petersburg, Russia – with Nordic and Russian partners.  Large grants: EU BSR Interreg grant 2018-21 to UrbCultural Planning – 14 partners from seven countries in the Baltic Sea Region. DCI is Lead Partner.  EU grant 2018-21 to the Creative Ports project. The Goethe Institute in Germany is Lead Partner. DCI is partner.	2

ACTIVITY	PERFORMANCE TARGET	OPERATIONAL TARGET	2017	2018	2019	COMMENTS	2020
		<p>DCI carries out a number of pop-up cultural projects annually in countries where DCI does not have any branches, with a target of 4 in 2017 and 2018, and 5 in 2019 and 2020.</p> <p>Indicator: Number of pop-up projects completed.</p>	<p>Target: 4 Achieved: 5</p>	<p>Target: 5 Achieved: 7</p> <p>(DCI was partner on three cultural projects and contributor to four cultural projects.)</p>	<p>Target: 5 Achieved: 12</p>	<p><i>Turkey:</i></p> <p>Istanbul Jazz Festival/ICF. Musical adventure movie BIRDLAND – The History of Jazz, directed by Jannik Hastrup, and Swedish short films shown to children introducing the concept “A Childish Day” in cooperation with the Swedish Consulate.</p> <p>Meetings on the Bridge. Industry platform during the Istanbul Film Festival featuring a panel debate about women in the film industry, panel discussion and workshop for women working in the television and film industry by Mette-Ann Schepeleern.</p> <p>Danish Children’s Festival in Istanbul. One-day children’s festival featuring workshops, performances, music, readings, etc based on Danish culture in cooperation with the Danish Consulate and Danish companies.</p> <p>Istanbul Theatre Festival IKS. Workshop by Karen Toftegaard about how to work internationally in the theatre world.</p> <p>Ayvalik Film Festival, Danish Children’s Films. Presentation of the films “Vildheks” by Kasper Munk and “Nabospionen” by Karla von Bengtson with live dubbing in Turkish.</p> <p>Six-week residence of Randi and Katrine at Istanbul Modern and exhibition in cooperation with local and international artists.</p> <p>Performance MUSE and Workshop, Ankara. Performance by actor Fadik Atasoy followed by a female empowerment workshop.</p> <p><i>Belarus:</i></p> <p>Northern Lights. Film festival focusing on the rights of women and natives.</p>	<p>5</p>

ACTIVITY	PERFORMANCE TARGET	OPERATIONAL TARGET	2017	2018	2019	COMMENTS	2020
						<p>Europe House – An preparatory project for development of ”Cultural Strategies for Medium-Sized Cities in Belarus”.</p> <p><i>Ukraine:</i> A participatory art project “Direct Approach” by artist Stine Marie Jakobsen, Mauripol, Ukraine.</p> <p>“Media Literacy for Youth”, Poltava, Ukraine.</p> <p>Eurofest: Cinema for everyone (including film festival), Kyiv.</p>	
		<p>DCI will carry through cultural projects in collaboration with the Danish institutes abroad.</p> <p>Indicator: Number of cultural projects with Danish institutes abroad.</p>	<p>Bilateral meetings have been held with DEDI in Cairo and the Danish House in Palestine.</p> <p>A joint dialogue has begun through MCD.</p> <p>Project not yet completed.</p>	<p>Target: 2 Achieved: Project not yet completed.</p>	<p>Target: 3 Achieved: 1</p>	<p>Holding of the joint programme ”World Voices” at the Cultural Meeting Mors with DEDI in Cairo, DID in Damaskus and the organisation IMS.</p> <p>Under the umbrella of joint representation, we accounted for an international voice. A very meaningful cooperation that opened possibilities of deeper insight into each other’s work, and it increased the visibility of all partners considerably. The concept will be extended to the Cultural Meeting in 2020.</p> <p>DCI contacted other Danish institutes in 2019 with the aim of possible cooperation. The Danish House in Palestine takes part in the joint programme at the Cultural Meeting in 2020. DCI has been in dialogue with the institutes in Rome and Athens about different possibilities of cooperation. They are considering taking part in the joint programme in 2020.</p>	3
	1.2 To inspire Danish artists and	DCI will conduct evaluations with Danish artists/organisations.	<p>Target: 52 Achieved: 30</p>	<p>Target: 35 Achieved: 67</p>	<p>Target: 50 (changed from 40)</p>	<p>Together with Rambøll, DCI carried out an evaluation with 127 participants, of whom 101 responded (80%).</p>	<p>50 (changed from 40)</p>



ACTIVITY	PERFORMANCE TARGET	OPERATIONAL TARGET	2017	2018	2019	COMMENTS	2020
	cultural players for the purposes of development	Indicator: Number of evaluations made annually			Achieved: 103		
		In the evaluations, DCI will be satisfied with an average rating above 4, measured on a scale of 1 to 7.  Indicator: Average rating in all evaluations.	Target: >4  Achieved: 6.27	Target: >4  Achieved: 6.1	Target: >6 (changed from >4)  Achieved: 6.5		>6 (changed from >4)
		Key figure:  Total number of cultural activities carried out annually.	Target: 1.000  Achieved: 900  The number is lower than the expected 1,000, but a higher degree of own larger productions/self-initiated projects.	Target: 1.250 activities  Achieved: 231 projects	Target: 0 (changed from 1,400)  Achieved: -	The key figure no longer exists as from 2019.	0 (changed from 1,450)
		New key figure: Total number of cultural projects completed in each country broken down by project with revenue of >< DKK 100 thousand		Achieved: 13/218	Target: 15/205  Achieved: 20/166	The number of larger projects completed exceed the performance target for 2019. However, the number of projects with revenue below DKK 100 thousand are less than the target figure for 2019. On the other hand, the average revenue of each project has increased from DKK 24 thousand in 2018 to DKK 39 thousand in 2019.	25/195
	1.3 To develop the quality of work	DCI will produce 4 best-practice reports during the framework agreement period. The reports must cover 4 different cross-over areas.	Target: 1  The report writing did not begin till mid-	Target: 1	Target: 0 (reduced from 4 to 1 during the		0 (changed from 1)

ACTIVITY	PERFORMANCE TARGET	OPERATIONAL TARGET	2017	2018	2019	COMMENTS	2020
	on cross-over projects	Indicator: Number of best-practice reports completed.	2017, however the first draft report on best practices in arts and culture educational projects (with special reference to children and young people) has been prepared. The report is scheduled for completion on 1 July 2018.	Achieved: no new report has been prepared	entire 4-year period)		
		Key figure: Total number of cross-over projects completed.	About 80% of DCI's projects has a positive effect on other areas of society (cross-over effect). I.e., out of the approx. 250 projects in 2017, 200 of them have a cross-over effect.	Target: 30 Achieved: 140	Target: 0 (changed from 30)	Since most DCI projects are cross-over projects, this item will no longer be a performance target.	0 (changed from 30)
		Each branch completes an annual pilot project, which is included in a long-term strategy on increased co-financing and projects of bigger volume.			Target: 0 Achieved: 0	This performance target is new as from June 2019, and so not phased in until 2020. The pilot projects started in January 2020. Full target achievement is expected for 2020.	6

ACTIVITY	PERFORMANCE TARGET	OPERATIONAL TARGET	2017	2018	2019	COMMENTS	2020
	1.4 To create visibility in Denmark regarding DCI's activities abroad	Indicator: Number of press coverage in nationwide media annually.	Target: 8  Achieved: 9	Target: 10  Achieved: 33	Target: 20 (changed from 10)  Achieved: 287 (excluding radio and television interviews)		20 (changed from 10)
Advisory services	2.1 Strengthen professional advice to Danish (and foreign) partners	DCI evaluates large, significant consulting assignments. 6 branches are expected in 2017, 7 in 2018 and 8 in 2019 and 2020.  Indicator: Number of evaluations made annually	Target: 7  Achieved: 53	Target: 8  Achieved: 88	Target: 50 (changed from 8)  Achieved: 42	Together with Rambøll, DCI evaluated 51 consulting assignments of which 42 participants responded (response rate 82%).	50 (changed from 8)
		In the evaluations, DCI will be satisfied with an average rating above 4, measured on a scale of 1 to 7.  Indicator: Average rating in all evaluations.	Target: >4  Achieved: 6,5	Target: >4  Achieved: 6,5	Target: >6 (changed from >4)  Achieved: 6,6	Average rating of the 42 responses to this question is 6.6.	>6 (changed from >4)
		Key figure:  Total number of consulting assignments carried out annually.	Target: 70  Achieved: 98	Target: 70  Achieved: 165	Target: 90 (changed from 80)	DCI carried out 51 consulting assignments in 2019, which is a lot fewer than in previous years. The development is due to a higher focus on the establishment of long-term, cross-over collaboration, and much of the consulting takes place within this framework.	90 (changed from 80)

### **Appendix 3: Financial statements of the special activities pool for 2019, see section 21(11)(23)(38) of the National Budget**

By the end of 2019, the Danish Cultural Institute (“DCI”) recognised DKK 742 thousand as income from the special activities pool. Add to this a grant of DKK 71 thousand for projects to be completed in 2020.

A total of DKK 842 thousand was available in 2019, of which the Government granted DKK 800 thousand in 2019, and DKK 42 thousand was transferred from 2018.

Approx. DKK 100 thousand has been carried forward to 2020, of which DKK 71 thousand relates to grants accrued. Another DKK 29 thousand has been carried forward to 2020 as available capital.

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. For example, 84% of the cultural actors responding to DCI’s user survey performed by Rambøll have found the inspiration they may use in their future work (Source: Evaluation 2019).

Moreover, all projects are evaluated individually. The evaluation of the three most significant grants in 2019 is shown below. Afterwards, an overview is provided of all amounts granted by the special activities pool in 2019.

#### **Project evaluations**

##### **Carnival Youth in Aarhus (the Baltic States)**

The Latvian indie rockband Carnival Youth held two concerts in Aarhus in October: 1) A small acoustic concert at Dokk1, which formed part of a Latvian creative intervention in the programme of “Pitching for a Better Baltic Sea”, a conference and a pilot project developed as part of the EU Interreg project Creative Ports. 2) A sold-out concert at Domen, a community centre in Aarhus focusing on the spirit of community, co-creation and sustainable (urban) development.

Besides the two concerts, Carnival Youth also met with Rasmus Bredvig, founder of and producer at Tapetown, and Gunnar K. Madsen, Head of Dansk Rock Samråd (ROSA), to exchange experience, network, etc. Moreover, the band also participated in this.series, part of this.festival, together with the Latvian participants in “Pitching for a Better Baltic Sea” which gave them yet an opportunity to network with other creative participants.

All things considered, the project strengthened the artistic and creative exchange between Denmark and Latvia for the mutual benefit of and inspiration to both parties.

### **Appendix 3: Financial statements of the special activities pool for 2019, see section 21(11)(23)(38) of the National Budget**

#### **Real People's Real Stories by C:NTACT (Russia)**

The purpose of the project was to give a voice through storytelling to those in society who are seldomly heard. The concept was created by C:NTACT and may be used to change certain groups' understanding of the surrounding society. "City Talks" took place in November 2019. The project took place simultaneously in three cities, Copenhagen, St. Petersburg and Yekaterinburg, as part of the Danish-Russian festival in the last-mentioned city. The stories of 30 people were recorded and made publicly available.

#### **MiniMAD by Meyers Madhus (Brazil)**

Six events were held in one week. In addition to Meyers Madhus, five carefully selected Brazilian partners participated, all active in the field of "food culture on the children's terms" and broadly represented by cooks, educational institutions, universities, social organisations and local projects. The activities consisted of a community day where all partners met to exchange practical and theoretical experience within the field, followed by an individual exchange of information between the Brazilian partners and Meyers.

The following individual events included:

- 1) Evaluation of a product development process with 30 students from Gastromotiva.
- 2) Charity dinner at Gastromotiva for 90 people from socially disadvantaged families.
- 3) Visit at the local project department connected to the Health and Education Secretariat in the suburb Duque de Caxias and visit at one of the public schools managed by the secretariat.
- 4) Exchange of information about the school project of Ecochefs and Instituto Maniva, and also about their projects in the Amazonas.
- 5) Talk by Jonas Astrup "Zest for food - sensory science on the children's terms" – examples of how you, with food as an implement, the kitchen as a learning environment and the meal as a meeting place, may create a common understanding of and responsibility for healthy and tasty food, and support children's development and well-being. The talk was held at UniRio (the Federal University of the State of Rio de Janeiro).

### Appendix 3: Financial statements of the special activities pool for 2019, see section 21(11)(23)(38) of the National Budget

	<u>Amount (DKK)</u>
CPH Stage 2019 x Danish Cultural Institute	7,500
DCI at Ungdommens Folkemøde 2019	20,924
Cultural Meeting Mors 2019	30,945
Party by KVINFO on 8 March in Vega	10,000
The Art of Transformation	15,000
<b>Denmark, total</b>	<b><u>84,369</u></b>
Christian Skjødt to Donaueschingen in Germany	5,307
CPH Stage	4,200
DUO II concert at Weksplaats Walter on 26 May	3,750
Jan Gehl, talk and visit at La Cambre	5,049
Kim Leine to Foire du Livre	7,480
Sophie Hagen Humor for Peace festival	2,000
SPOT Festival, visit participants from Luxembourg	2,000
The Voters and the Politicians	5,654
Women's Day Breakfast Discussion	1,850
<b>Belgium, total</b>	<b><u>37,290</u></b>
International Cultural Centre in Cracow	9,590
Copenhagenize	5,000
Danish edition of the magazine „Zupelnie inny swiat”	7,000
EUNIC European Day of Languages	0
EUNIC Poems in the City	4,500
EUNIC Spoken Word Festival	8,000
EUNIC Translation Day	1,000
Festival Literature as Photosynthesis	0
Photo Festival Lodz	2,000
Gel & Panxing	5,000
Millennium Docs Against Gravity	10,000
We Are Museums	7,500
WRO Media Art Biennale	0
<b>Poland, total</b>	<b><u>59,590</u></b>

### Appendix 3: Financial statements of the special activities pool for 2019, see section 21(11)(23)(38) of the National Budget

	<u>Amount (DKK)</u>
Carnival Youth in Aarhus	35,981
Dannebrog 800: public celebration on Vabaduse Väljak	28,000
Media projects 2019	20,000
Mogens Dahl Chamber Choir	29,000
Network events to PÖFF	1,870
Platforma International Arts Festival	560
Susanne Brøgger – literary cultural exchange	6,000
<b>The Baltic States, total</b>	<b>121,411</b>
“Nordic Counterpoint” and Sound Ways	42,100
Adam Holm about journalism and fake news	1,690
Asger Jorn’s La Genèse naturelle in Russian	5,000
DCI-Karamazov documentary	7,800
Elizavet Renne to Arkhangelsk	5,800
A Danish-Nordic musical family chronicle	15,000
Colour blind at the STEREOLETO Festival	7,600
Jens E. Christensen in Kirov and SPB	7,691
Concert and masterclass by the soprano S. Elmark	9,530
Koppels quartets played by Russian musicians	1,190
Krass Clement Photography	20,000
REAL PEOPLE’S REAL STORIES (?)	46,715
Søren Ulrik Thomsen in St. Petersburg	9,000
<b>Russia, total</b>	<b>179,116</b>
Future Female Sounds ved Tia Torpe	18,000
Iron Women & Red Stockings	30,000
<b>China, total</b>	<b>48,000</b>
Casa Europa - FLIP	28,000
CineKlap – film presentation	3,200
Cineklap 2019	20,000
Dia da Europa 2019	16,000
Gismonti/Møller Bigband, DK	15,000
Mentoring Lab	13,000
MINIMAD - kickstarter	30,000
Politics of Nature	15,000
Ponte Nórdica Pocket 2019	15,000
VIGAS Residency DK	20,000
<b>Brazil, total</b>	<b>175,200</b>

**Appendix 3: Financial statements of the special activities pool for 2019,  
see section 21(11)(23)(38) of the National Budget**

	<u>Amount (DKK)</u>
Bi-Weekly Film Night at VV	5,000
DCII X Feminism In India Wiki-editathon	2,000
Golden Days “Meanwhile in...”	15,500
Long Nights of Literatures	14,620
<b>India, total</b>	<u><b>37,120</b></u>
<b>Total</b>	<u><b>742,096</b></u>