

Future Fund Foundation

Annual Accounts 2020

July 27, 2021

Table of Contents

Table of Contents	2
Board Report	3
Introduction	3
Foundation, fund and consolidated accounts	3
Key figures	3
Notes to the financial statements	4
General Explanation	4
Reporting period	4
Consolidation	4
Consolidated balance sheet foundation + fund 2020	5
Consolidated income and expenses foundation + fund 2020	6
Principles	7
Principles for the consolidated balance sheet	7
Principles for the consolidated income and expenses	8
Balance sheet Foundation as of December 31, 2020	10
Income and expenses Foundation 2020	11
Balance sheet Future Fund as of December 31, 2020	12
Income and expenditure Future Fund 2020	13
Appendix 1: Overview of donations per charity at the end of the financial year	14

Board Report

Introduction

This is the first financial statement of the Future Fund Foundation, registered as Stichting ToekomstFonds in the Netherlands under number 77769996 with the Dutch Chamber of Commerce.

Foundation, fund and consolidated accounts

Transparency is important to us at the Future Fund. For this reason, we have added additional information to these accounts. This financial statement provides insight into two separate cash flows of the Future Fund:

- 1) Future Fund Foundation's operating income and costs
- 2) the income and expenses of the Future Fund

For each of these two cash flows, this financial statement contain a separate balance sheet and statement of income and expenses.

We begin this financial statement with a consolidated balance sheet and statement of income and expenses, of these two cash flows combined.

Key figures

Key figures for 2020 are:

Transferred to charities in this fiscal year:	€ 113
Transferred to charities since start of Future Fund:	€ 113
Total donated via the Future Fund in this fiscal year:	€ 792
Total donated via the Future Fund since start of Future Fund:	€ 792
Number of donations in this fiscal year:	12
Number of donations since start of Future Fund:	12
Number of charities on last day of this fiscal year:	12
Return achieved in this fiscal year:	31.8%
Achieved total return on first-ever donations since start of Future Fund:	31.8%
Achieved average return per year on very first donations since start of Future Fund:	31.8%
Remuneration to board members:	€ 0

If you have any questions, we'd love to hear from you, at info@future-fund.org.

Rik Viergever, Director of the Future Fund Foundation

Notes to the financial statements

General Explanation

Future Fund Foundation is located at Vredenburg 40 in Utrecht, the Netherlands. The foundation is registered with the Dutch Chamber of Commerce (KVK) under the number 77769996. Since its establishment in 2020, the Future Fund Foundation has been doing everything possible to ensure that more investments on the stock markets are made in and for charities and social, ethical and sustainable enterprises. There are many great organizations working toward a healthier planet, supporting people, promoting culture or the arts, or standing up for animals and ecosystems. The Future Fund Foundation helps these organizations continue and expand their great work. We are committed to increasing investments in and for non-profits (charities) as well as for-profits (social enterprises).

In 2020, the Future Fund Foundation had a staff made up entirely of volunteers.

The annual accounts have been prepared in compliance with the Dutch RJ 650 reporting guidelines for fundraising organizations.

Reporting period

This financial statement has been prepared assuming a reporting period of one year. The financial year coincides with the calendar year. This financial statement relates to the year of establishment of the Future Fund Foundation.

Consolidation

The consolidated financial accounts include the financial data of Future Fund Foundation and its projects.

One of the projects that the Future Fund Foundation manages is the Future Fund. The Future Fund Foundation manages investments for charities as part of this project. We would like to provide additional clarity about the composition of this fund (the 'Future Fund'), which is why we publish the balance sheet and income and expenditures of the foundation and those of the fund separately in these financial statements. However, we start the financial statements with a *consolidated* balance sheet and income and expenses of the foundation and fund *combined*.

In the consolidated financial accounts the mutual debts, receivables and transactions are eliminated. In the consolidation, the foundation and the fund are both included for 100%.

Consolidated balance sheet foundation + fund 2020

		01/01/2021 (€)	31/12/2020 (€)
ASSETS			
Foundation			
	Tangible fixed assets	0	0
	Financial assets	0	0
	Cash and cash equivalents	0	0
	Receivables	60	60
Future Fund			
	Tangible fixed assets	0	0
	Financial assets	1,038	1,038
	Cash and cash equivalents	5	5
Total		1,103	1,103
LIABILITIES			
Foundation			
	Continuity reserve	-1,312	-1,312
	Non-current liabilities	1,372	1,372
	Short-term liabilities	0	0
Future Fund			
	Earmarked reserve to generate return for charities. This reserve consists of an amount that should be invested, with the aim of distributing returns to charities	905	905
	Revaluation reserve	0	0
	Short-term liabilities	138	138
Total		1,103	1,103

Consolidated income and expenses foundation + fund 2020

		2020 (€)
INCOME		
Income Foundation		
	Donations and grants/subsidies	35
	Remuneration from Future Fund to cover operating costs	25
Income Future Fund		
	Donations	792
	Return on donations	252
Sum of income		1,103
EXPENSES		
Expenses Foundation		
	Staff	0
	Housing	0
	Marketing and Communications	56
	IT	1,029
	General	287
Expenses Future Fund		
	Remuneration to Future Fund Foundation for operating costs	25
	Distributed to charities	113
Sum of expenses		1,510
Balance of income and expenses		-407
ALLOCATION OF BALANCE		
Addition to Earmarked reserve to generate return for charities through donations		792
Addition to Earmarked reserve to generate return for charities through return on investment		113
Addition to Continuity reserve of the foundation		-1,312
Sum of allocations		-407

Principles

Principles for the consolidated balance sheet

Assets Foundation: Tangible fixed assets

Tangible fixed assets are valued at acquisition price, minus the accumulated amortizations and, if applicable, specific depreciations. Amortization is based on the estimated economic life and is calculated on the basis of a fixed percentage of the acquisition price, taking into account any residual value. Amortization is applied from the time of commissioning.

Assets Foundation: Financial fixed assets

Financial fixed assets are valued at nominal value.

Assets Foundation: Cash at bank and in hand

Cash and cash equivalents are valued at nominal value.

Assets Foundation: Receivables

This concerns receivables that the foundation still has outstanding. In this financial year, these consist entirely of realized profits through returns that must be transferred in the next financial year by the fund to the foundation as a beneficiary and to help cover the costs of operating the Future Fund. The linked short-term debts with the fund are included with the fund under liabilities.

Assets Future Fund: Tangible fixed assets

The Future Fund is purely an investment vehicle and does not own any tangible fixed assets. The fund is managed by Future Fund Foundation, which may have tangible fixed assets.

Assets Future Fund: Financial fixed assets

These assets consist of:

- donations that had already been invested with the Future Fund
- new donations added and newly invested this year
- The increase in value that has occurred on the investments.

Investments are valued at actual value.

Assets Future Fund: Cash and cash equivalents

Cash and cash equivalents are valued at nominal value.

Liabilities Foundation: Continuity reserve

The purpose of this reserve of the foundation is to cover risks. Its size may not exceed 1.5 times the organization's costs.

Liabilities Foundation: Long-term liabilities

Liabilities are initially recognized at actual value and subsequently valued at amortized cost.

Liabilities Foundation: Short-term debt

Liabilities are initially recognized at fair value and subsequently valued at amortized cost.

Liabilities Future Fund: Earmarked reserve to generate return for charities

Reserve for the purpose of the Future Fund project: to invest donations in order to distribute returns to charities. This restriction is in line with the agreement that the Future Fund engages in with all donors. This

agreement entails a gift 'with obligations', as described in the [Donation Conditions](#) of the Future Fund. The purpose of this reserve is to be invested so that a return is generated each year for the benefit of the charities. This is the only purpose for which the foundation may use these assets.

This earmarked reserve has three components on each balance sheet (see the detailed balance sheet for the Future Fund later in this document):

1. Invested donations carried over from the year prior to fiscal year.
2. All new donations received during the fiscal year.
3. Contribution from the appreciation that occurred on invested donations during this fiscal year. This appreciation is shown in its entirety under assets ("Return on donations"). Of the total appreciation, Future Fund Foundation receives 10% to cover the operational costs of the Future Fund. Of the remaining amount, 50% is paid out to the charities and 50% is booked to this "Earmarked reserve to generate return for charities". In this way, every year the invested amount for each charity grows and with that the financial support for each charity increases a little each year.

Liabilities Future Fund: Revaluation reserve

A revaluation reserve is formed for positive unrealized price results on shares and bonds at the end of the financial year. Negative unrealized price results are taken directly to the result.

Liabilities Future Fund: Current liabilities

These are short-term debts of the fund. These consist entirely of realized profits through returns that are to be transferred in the next fiscal year to charities as beneficiaries and to Future Fund Foundation to help cover the costs of administering the Future Fund. The linked receivables for the foundation are listed under its Assets.

Principles for the consolidated income and expenses

General

The balance of income and expenses for the financial year is determined as the difference between the amounts received on the one hand and the costs on the other hand, valued at historical cost taking into account the aforementioned valuation principles.

Income Foundation: Donated income and grants

Gifts and subsidies from individuals, companies, governments, and other organizations to the Future Fund Foundation, which are accounted for at the time of commitment or receipt. The income from legacies is accounted for on the basis of receipts and at the moment the deed of distribution is received.

Income Foundation: Distributed by Future Fund for operating costs

Fee for managing the Future Fund, in the amount of 10% of the return on all donations in the Future Fund.

Income Future Fund: Donations

Donations from individuals, companies, governments and other organizations to charities via the Future Fund, which are accounted for at the time of commitment or receipt. Income from legacies is accounted for on the basis of receipts and at the moment the deed of distribution is received.

Income Future Fund: Return on donations

Return on donations in the fund. These are valued periodically at the time the return is converted into:

1. money transfers for the charities
2. contribution to "Earmarked reserve return of charities"

3. a contribution to the Future Fund Foundation's operational budget for the managing the operation of the Future Fund

Expenses Foundation: Staff

The portion of costs used for personnel costs, such as:

- salary
- board expenses
- gifts for staff and volunteers

Expenses Foundation: Housing

The portion of expenses used for housing costs, such as office space rental.

Expenses Foundation: Marketing and communication

The portion of costs used for marketing and communications, such as design software, brochure and poster printing, and advertising.

Expenses Foundation: IT

The portion of costs used for IT, such as the creation and maintenance of the website and online donation platform.

Expenses Foundation: General expenses

The portion of costs used for general expenses.

Expenses Future Fund: Paid out to foundation for operational costs

The portion of the return that is paid to Future Fund Foundation as compensation for managing the operations of the Future Fund.

Expenses Future Fund: Paid out to charities

The portion of the return that is distributed to the charities in accordance with the objective of the Future Fund.

Below we show the balance sheet and income and expenses separately for the Future Fund Foundation ("Foundation") and for the Future Fund ("Future Fund"). First, we show the balance sheet and income and expenses for the Future Fund Foundation, then the balance sheet and income and expenses for the Future Fund.

Balance sheet Foundation as of December 31, 2020

(after proposed appropriation of the balance of income and expenses)		
	01/01/2021 (€)	31/12/2020 (€)
ASSETS		
Tangible fixed assets	0	0
Financial assets	0	0
Cash and cash equivalents	0	0
Receivables	60	60
Total	60	60
LIABILITIES		
Continuity reserve	-1,312	-1,312
Non-current liabilities	1,372	1,372
Short-term liabilities	0	0
Total	60	60

Notes on reserves and funds of the foundation: the foundation made a loss in 2020 and took out a long-term loan to cover that loss. The loan was taken out under the following conditions:

- the loan is interest-free
- the loan will be paid off when the finances of Future Fund Foundation allow.

The continuity reserve therefore has a negative balance of € -1391 as of 31-12-2020.

Income and expenses Foundation 2020

	2020 (€)	2020 (%)
BATES		
Income from direct donations	0	0%
Income from return on donations	35	58%
Remuneration for managing the operations of the Future Fund (10% of overall return)	25	42%
Sum of income	60	100%
EXPENSES		
Staff	0	0%
Housing	0	0%
Marketing and Communications	56	4%
IT	1,029	75%
General	287	21%
Sum of expenses	1,372	100%
Balance before financial income and expenses	-1,312	
Balance of financial income and expenses	0	
Balance of income and expenses	-1,312	
ALLOCATION OF THE BALANCE OF INCOME AND EXPENDITURE		
Addition Continuity reserve	-1,312	

Balance sheet Future Fund as of December 31, 2020

Explanation of the contents of the fund: as of December 31, 2020 and January 01, 2021, there was €1043 in the fund.

		01/01/2021 (€)	31/12/2020 (€)
ASSETS			
Financial assets			
	Invested donations carried over from year prior to fiscal year	0	0
	New donations this fiscal year, 1 Jan-31 Dec	787	787
	Return this fiscal year, 1 Jan-31 Dec	252	252
Cash and cash equivalents		5	5
Total		1,043	1,043
LIABILITIES			
Earmarked reserve to generate return for charities. This amount should be invested, with the aim of distributing returns to charities.			
	by invested donations carried over from year prior to financial year	0	0
	by new donations in this fiscal year	792	792
	by return on donations in this fiscal year	113	113
Revaluation reserve		0	0
Short-term debt: payable to charities as beneficiaries		113	113
Short-term debt: payable to Future Fund Foundation for operational management Future Fund		25	25
Total		1,043	1,043

Income and expenditure Future Fund 2020

	2020 (€)
BATES	
Income from donations	792
Income from return on donations	252
Sum of income	1,043
EXPENSES	
Distributed to Future Fund Foundation for operational costs (10% of return)	25
Distributed to charities	113
Transaction fees bank transfers	0
Sum of expenses	138
Balance of income and expenses	905
ALLOCATION OF THE BALANCE OF INCOME AND EXPENDITURE	
Addition to Earmarked reserve to generate return for charities through donations	792
Addition to Earmarked reserve to generate return for charities through returns on investment	113
Sum of destinations	905
% of return to benefit charities	90%
% of income benefiting charities	98%
Net return achieved	32%

Appendix 1: Overview of donations per charity at the end of the financial year

Below we list:

- The amounts donated during the fiscal year for each charity
- The cumulative amounts donated in all years of the Future Fund's existence, including the fiscal year, for each charity
- The invested value of the cumulative donated amounts as of the end of the fiscal year
- The amounts transferred to each charity for this fiscal year based on the return made on the amounts invested during the fiscal year

Charity	Donations in 2020 for charity	Cumulative donations all years	Invested value as of 31-12-2020	Transferred by Future Fund to charity for fiscal year
EnjoyCleaningUp	50	50	66	7
Simavi	50	50	66	7
Dream4Kids	50	50	66	7
Plastic Soup Foundation	50	50	66	7
MAF Netherlands	50	50	66	7
Assistance dog Netherlands	50	50	66	7
Free Press Unlimited	50	50	66	7
Connect2Us	50	50	66	7
Plan International The Netherlands	50	50	66	7
CliniClowns	50	50	66	7
National Fund Children's Aid	50	50	66	7
Future Fund Foundation	242	242	319	35
Total	792	792	1,043	113