

# Deloitte.



## Fonden Constructive Foundation

Tåsingegade 3  
8000 Aarhus C  
CVR No. 38360809

## Annual report 2025

The Annual Meeting adopted the annual report  
on 27.04.2026

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**Jean Philip De Tender**  
Chairman of the Meeting

# Contents

Entity details	2
Statement by Management	3
Independent auditor's report	4
Management commentary	7
Income statement for 2025	12
Balance sheet at 31.12.2025	13
Statement of changes in equity for 2025	15
Notes	16
Accounting policies	17

# Entity details

## Entity

Fonden Constructive Foundation

Tåsingevej 3

8000 Aarhus C

Business Registration No.: 38360809

Registered office: Aarhus

Financial year: 01.01.2025 - 31.12.2025

## Statutory reports on the entity's website

Statutory report on foundation governance:

<https://constructiveinstitute.org/app/uploads/2024/05/God-fondsledelse-CI-2024.pdf>

Statutory report on distribution policy: <https://constructiveinstitute.org/app/uploads/2025/05/Fonden-Constructive-Foundation-uddelingspolitik.pdf>

## Board of Directors

Jean Philip De Tender, chairman of the board

Ulrik Haagerup

Alexandra Silvia Borchardt

Dawn Elizabeth Garcia

Maja Horst

Helje Solberg

Dickens Onditi Olewe

Jakob Bergmann Moll

## Executive Board

Ulrik Haagerup

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

City Tower, Værkmestergade 2

8000 Aarhus C

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Fonden Constructive Foundation for the financial year 01.01.2025 - 31.12.2025.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Foundation's financial position at 31.12.2025 and of the results of its operations for the financial year 01.01.2025 - 31.12.2025.

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

Aarhus, 27.04.2026

## Executive Board

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**Ulrik Haagerup**

## Board of Directors

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**Jean Philip De Tender**  
chairman of the board

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**Ulrik Haagerup**


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**Alexandra Silvia Borchardt**

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**Dawn Elizabeth Garcia**

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**Helje Solberg**

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**Dickens Onditi Olewe**

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**Jakob Bergmann Moll**

# Independent auditor's report

## To the shareholders of Fonden Constructive Foundation

### Opinion

We have audited the financial statements of Fonden Constructive Foundation for the financial year 01.01.2025 - 31.12.2025, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Foundation's financial position at 31.12.2025 and of the results of its operations for the financial year 01.01.2025 - 31.12.2025 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. 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 Foundation 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.

### 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 Financial Statements Act, 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.

In preparing the financial statements, Management is responsible for assessing the Foundation'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 Foundation 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 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, 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 Foundation'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 Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- 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 Financial Statements Act.

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 in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Aarhus, 27.04.2026

**Deloitte**

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

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**Murat Güler**

State Authorised Public Accountant

Identification No (MNE) mne46582

# Management commentary

## Primary activities

### Purpose

The Constructive Foundation is a commercial foundation that works on a nonprofit basis to change the global news culture and re-establish news journalism as a credible source of information in democratic societies as well as helping media organizations and journalists apply constructive journalism in their daily work, by:

- Developing and providing access to a comprehensive knowledge base and establishing a code of conduct for journalistic integrity.
- Partnering with academic institutions for the creation of new knowledge and research.
- Curating exemplary journalistic practices and case studies.
- Endorsing initiatives that promote and validate the principles of constructive journalism.
- Training and nurturing ambassadors and role models in constructive journalism through an international fellowship program.

### Main Activities

The principal endeavor of Constructive Foundation remains the oversight of the Constructive Institute (CI), positioned at Aarhus University yet operationally independent.

The Constructive Institute actively advocates for constructive journalism and supports media organizations in its practical implementation. Through strong collaborations with foundations, corporations, and like-minded institutions, the Institute fosters innovation in journalism and drives meaningful change in the media landscape.

A cornerstone in Constructive Institutes work is our resident fellowship program in which more than 20 Fellows (10 months) and Explorers (5 months) were affiliated during 2025. In 2025 the fellowship program was primarily supported by Trygfonden, Novo Nordisk Foundation, Industriens Fond and Aarhus Stiftstidendes Fond.

In 2025 Constructive Institute commenced the project Your Vote. Our Denmark. The project focused on strengthening local and regional democracy and media coverage ahead of the 2025 municipal and regional elections. The project consisted of various initiatives and culminated with 10 election festivals, with a particular focus on engaging families with children. The project continues until mid-2026.

The project Democratic Mobilization of the Next Generation also commenced in 2025 and will run to 2028. The project is designed to strengthen the democratic confidence and media literacy of 15,000 young people. Through hands-on workshops like "Journalist for a Day," participants learn to distinguish fact from fiction while producing constructive news stories on topics relevant to their daily lives.

Constructive Institute continued with our project The Constructive News Mirror, expanding the use of an innovative algorithm that identifies whether news stories follow a constructive narrative.

Constructive Institute is actively expanding its international presence, reinforcing its commitment to becoming a truly global organization. On September 16th 2025 Constructive Institute Asia Pacific was launched as a joint hub between Monash University and Constructive Institute with director Kate Torney as the CEO. Monash University will further expand the ideas of constructive journalism through their mission to help students, researchers, and newsrooms in Asia and the Pacific adopt a more constructive approach to journalism.

The project SoJo Europe is a partnership program between Transitions, Journalismfund Europe, SEENPM, Constructive Institute and the European Union that promotes solutions journalism. The projects' main activities were carried out in 2025 with bridge building activities, study tours and production of constructive journalism pieces.

The New Narratives Project is a collaboration between Constructive Institute, African media innovators and 2030beyond that promotes a more constructive approach to the media coverage of Africa, offering nuance to both challenges and opportunities on the continent. In 2025 the activities within the New Narratives Project included a study tour to Nairobi for Nordic journalists and editors and a study tour to Denmark with the participation of African journalists. The Afro-Nordic Media Summit was held June 2025 in Copenhagen.

It was decided that Fonden Constructive Foundation step down as a shareholder of the Bonn Institute gGmbH of which the Foundation was a founding partner. The three remaining stakeholders who are all German media organizations will buy the Foundation's shares. The proces and financial transaction will be finalised the in the fiscal year 2026.

### **Financial Standings 2025**

In 2025, Constructive Foundation continued to benefit from strong and diversified financial support from a number of long-standing and committed foundations and partners. This sustained backing enabled the continuation of the majority of Constructive Institute's core activities, including the resident fellowship programme as well as key initiatives within democracy, media innovation, research and development. Among the principal contributors providing ongoing support were Trygfonden, Novo Nordisk Foundation, Salling Fondene, Tuborgfondet, Industriens Fond, William Demant Foundation and Aarhus Stiftstidendes Foundation, alongside public funding support from Innovation Fund Denmark. Collectively, this broad financial foundation reflects continued confidence in Constructive Institute's mission and impact and has ensured a stable basis for both operations and strategic development throughout the year.

A central initiative during the year was Your Vote. Our Denmark, which benefited from substantial and committed support from a group of key partners. The project was made possible through the generous backing of the VELUX Foundations, Trygfonden, Regions Denmark, KL (Local Government Denmark) and Tuborgfondet, whose contributions enabled the development and implementation of a nationwide effort to strengthen local and regional democracy ahead of the 2025 municipal and regional elections. This strong coalition of funders reflects a shared commitment to democratic engagement, media literacy and constructive public debate, and played a decisive role in ensuring both the reach and the impact of the project.

Furthermore, CI continues the significant focus research and development projects – especially in the field of artificial intelligence. This focus is part of an ambitious strategy to increase commercial activities and generate more income. This effort was supported by the Innovation Fund Denmark i 2025, continuing into 2026.

Revenue increased significantly in 2025 compared to 2024. The increase reflects a significant expansion in externally funded activities during the year, primarily driven by new donations supporting the projects Your Vote. Our Denmark and Democratic Mobilization of the Next Generation, both focused on strengthening local democracy and civic engagement.

In accordance with expectations, the Foundation ended the financial year 2025 with a balanced result and a modest surplus of DKK 23,146.

Of the profit for the year, DKK 25,039,124 was allocated to distributions in support of the Foundation's purpose, while DKK 23,146 was retained, resulting in a modest strengthening of equity.

Management considers the financial performance to be satisfactory and in line with expectations. The increase in revenue reflects a strengthened funding base and an expanded level of activity, while the balanced result demonstrates continued financial discipline in the execution of the Foundation's purpose-driven activities.

### **Description of material changes in activities and finances**

The Constructive Foundation continues to thrive, advancing projects that align with its mission to transform global news culture and promote constructive journalism. Demand for workshops, seminars, and short-term training programs remains strong, reflecting the growing interest in constructive journalism. The institute has sustained its role as a hub for international journalists and editors seeking professional development, a trend expected to expand further. Our dedication to providing educational resources, workshops remains a priority. In accordance with expectations, the Foundation will balance its financial result in the year 2025, ending with a modest surplus of 23,146 DKK.

CI continues to operate through three main activities:

1. Generating new knowledge: Through research initiatives, data collection, and the dissemination of best practices.
2. Inspiration: Hosting conferences, seminars, keynote sessions, and workshops.
3. Role Models: International Fellowship Program with approx. 10-15 fellows and explorers (Fellows 10 months, and Explorers 5 months – start date in September or February).

### Statutory report on foundation governance

The Foundation's report on foundation management can be found at our homepage.

<https://constructiveinstitute.org/app/uploads/2026/03/Statutory-Report-on-Foundation-Governance-2025.pdf>

Composition of the board in financial year 2025:

#### ***The Board***

##### **Jean Philip De Tender, Chairman of the Board**

- Male, born February 6, 1965.
- Member of the board since March 1, 2017.
- Designated by the European Broadcasting Union (EBU).
- Director Media at the EBU, Geneva, Switzerland.
- Special competencies: International top management experience in the media sector, digital media, storytelling, radio and television.

##### **Helje Solberg, Vice Chairman of the Board**

- Female, born March 7, 1967
- Member of the board since December 10, 2024
- Independent member.
- News Director, Norwegian Broadcasting Company.
- Chair of Faktisk
- Board member of World Expression Forum (WEXFO) and Oslo Editor
- Special competencies Journalistic and editorial leadership, award-winning investigative reporting, strategic management in major media organizations, international editorial governance and board experience, broad academic background in Russian, anthropology, political science and international relations.

##### **Alexandra Silvia Borchardt**

- Female, born March 19, 1966.
- Member of the board since December 13, 2020.
- Independent member.
- Independent media consultant and journalist, Professor for Media Transformation, University of the Arts (Berlin).
- Member: Committee for Editorial Independence, Economia (Czech Republic); Member: Council of Europe Expert Committee on Digital Technologies and Freedom of Expression (DIG-MSI, 2020/21).
- Lecturer in Digital Transformation, Journalism and Media, Leadership and Strategy.

##### **Dawn Elizabeth Garcia**

- Female, born June 5, 1959.
- Member of the board since July 8, 2022.
- Independent member.
- Director of John S. Knight Journalism Fellowships at Stanford University.
- Former reporter at San Francisco Chronicle and Editor for San Jose Mercury News.
- Special competencies: Extensive Fellowship experience, senior level management experience, insights in the university sector and background as journalist.

##### **Dickens Onditi Olewe**

- Male, born November 26, 1981

- Member of the board since September 15, 2025
- Independent member.
- Program Officer, Global Media Partnerships, Gates Foundation.
- Special competencies: Leadership, media innovation and entrepreneurship, executive communication, conflict resolution, data analysis

**Jacob Bergmann Moll**

- Male, born June 8, 1978
- Member of the board since September 15, 2025
- Independent member.
- Co-founder & International Director, Zetland.
- Board member of Zetland Oy (Finland)
- Board member of Zetland AS (Norway)
- Special competencies: Media entrepreneurship, leading tech innovation, editorial leadership

**Maja Horst**

- Female, born February 25, 1969
- Member of the board since 30.08.2023.
- Designated by Aarhus University.
- Dean, Faculty of Arts.
- Member of other boards: Moesgaard Museum.
- Special competencies: Research-, education- and innovation policy, research communication.

**Ulrik Haagerup, CEO**

- Male, born March 18, 1963.
- Member of the board since March 1, 2017.
- Director Constructive Institute, former news director DR and editor-in-chief
- Independent member.
- Membership of other boards: Landbrugsmedierne A/S.
- Special competencies: Broad knowledge of journalism and editorial management and strategy.

**Statutory report on distribution policy**

<https://constructiveinstitute.org/app/uploads/2025/05/Fonden-Constructive-Foundation-uddelingspolitik.pdf>

# Income statement for 2025

	Notes	2025 DKK	2024 DKK
Revenue		26,551,703	10,135,668
Other operating income		23,579,877	16,539,875
Other external expenses		(17,130,842)	(4,479,428)
<b>Gross profit/loss</b>		<b>33,000,738</b>	<b>22,196,115</b>
Staff costs	1	(7,908,282)	(6,116,165)
Depreciation, amortisation and impairment losses		(45,038)	(22,519)
<b>Operating profit/loss</b>		<b>25,047,418</b>	<b>16,057,431</b>
Other financial income		18,383	42,395
Other financial expenses		(3,531)	(1,157)
<b>Profit/loss before tax</b>		<b>25,062,270</b>	<b>16,098,669</b>
Tax on profit/loss for the year	2	0	(14,000)
<b>Profit/loss for the year</b>		<b>25,062,270</b>	<b>16,084,669</b>
<b>Proposed distribution of profit and loss:</b>			
Provision for distributions		25,039,124	16,311,707
Retained earnings		23,146	(227,038)
<b>Proposed distribution of profit and loss</b>		<b>25,062,270</b>	<b>16,084,669</b>

# Balance sheet at 31.12.2025

## Assets

	Notes	2025 DKK	2024 DKK
Acquired intangible assets		382,821	427,859
<b>Intangible assets</b>	3	<b>382,821</b>	<b>427,859</b>
Other fixtures and fittings, tools and equipment		0	0
Leasehold improvements		0	0
<b>Property, plant and equipment</b>		<b>0</b>	<b>0</b>
<b>Fixed assets</b>		<b>382,821</b>	<b>427,859</b>
Other receivables		35,497	752,130
Prepayments		2,107,498	260,000
<b>Receivables</b>		<b>2,142,995</b>	<b>1,012,130</b>
<b>Cash</b>		<b>4,691,910</b>	<b>4,824,629</b>
<b>Current assets</b>		<b>6,834,905</b>	<b>5,836,759</b>
<b>Assets</b>		<b>7,217,726</b>	<b>6,264,618</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2025</b> <b>DKK</b>	<b>2024</b> <b>DKK</b>
Contributed capital		300,000	300,000
Retained earnings		1,911,388	1,888,242
<b>Equity</b>		<b>2,211,388</b>	<b>2,188,242</b>
Trade payables		1,000,209	243,682
Other payables		643,129	538,170
Deferred income		3,363,000	3,294,524
<b>Current liabilities other than provisions</b>		<b>5,006,338</b>	<b>4,076,376</b>
<b>Liabilities other than provisions</b>		<b>5,006,338</b>	<b>4,076,376</b>
<b>Equity and liabilities</b>		<b>7,217,726</b>	<b>6,264,618</b>

Transactions with related parties

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# Statement of changes in equity for 2025

	<b>Contributed capital DKK</b>	<b>Provision for distributions DKK</b>	<b>Retained earnings DKK</b>	<b>Total DKK</b>
Equity beginning of year	300,000	0	1,888,242	2,188,242
Ordinary distributions	0	(25,039,124)	0	(25,039,124)
Profit/loss for the year	0	25,039,124	23,146	25,062,270
<b>Equity end of year</b>	<b>300,000</b>	<b>0</b>	<b>1,911,388</b>	<b>2,211,388</b>

# Notes

## 1 Staff costs

	2025 DKK	2024 DKK
Wages and salaries	7,473,640	5,650,186
Pension costs	356,561	404,698
Other social security costs	78,081	61,281
	<b>7,908,282</b>	<b>6,116,165</b>
Average number of full-time employees	10	9

## 2 Tax on profit/loss for the year

	2025 DKK	2024 DKK
Current tax	0	14,000
	<b>0</b>	<b>14,000</b>

## 3 Intangible assets

	Acquired intangible assets DKK
Cost beginning of year	731,242
<b>Cost end of year</b>	<b>731,242</b>
Amortisation and impairment losses beginning of year	(303,383)
Amortisation for the year	(45,038)
<b>Amortisation and impairment losses end of year</b>	<b>(348,421)</b>
<b>Carrying amount end of year</b>	<b>382,821</b>

## 4 Transactions with related parties

	Management DKK
Salary	1,972,460

The Foundation's related parties consists of the Board of Directors and the CEO.

Transactions with related parties only consists of salary.

The Foundation Constructive Foundation's management consists of Board of Directors with seven members, including a Chairman of the Board, Vice Chairman of the Board and the CEO. According to the Danish Financial Statements act § 98b section 3 number 1 the Foundation has disclosed fee for the Board of Directors together with fee to the CEO.

# Accounting policies

## Basis for financial statements

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

## Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Foundation, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Foundation has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Foundation, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Distribution

Distributions includes those of the Foundation's purpose-driven activities in accordance with the statutes of the Foundation. Distributions include direct distributions to the fellowship program consisting of both distributed services and cash distributions. Additionally, distributions include other distributed services in accordance with the foundation's statutes, which include community and purpose-driven projects. An estimated assessment of the fair value of the distributed services is made, and for the distributed services where it is not possible to determine a reliable fair value, the incurred direct costs are considered the best estimate of the fair value.

## Income statement

### Revenue

Revenue comprises of the fair value of the distributed services according to the Foundation's statutes and commercial activities in close relation to the Foundation's statutes. An estimated assessment of the fair value of the distributed services is made, and for the distributed services where it is not possible to determine a reliable fair value, the incurred direct costs are considered the best estimate of the fair value. Revenue from distributed services is recognized in the income statement, when the management has made a binding decision about the distributions of the services. Revenue also consists of commercial income for lectures and courses in close relation to the Foundation's statutes.

### Other operating income

Other operating income comprises of donations, grants, gifts, contributions to purpose-driven activities etc., which does not meet the definition of revenue. Other operating income also comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including profit from the sale of intangible assets

and property, plant and equipment and salary refunds.

#### **Other external expenses**

Other external expenses include expenses relating to the Foundations ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. Other external expenses also comprises write-downs of receivables recognised as current assets.

#### **Staff costs**

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

#### **Depreciation, amortisation and impairment losses**

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, and gains and losses from the sale of intangible assets and property, plant and equipment.

#### **Other financial income**

Other financial income comprises interest income

#### **Other financial expenses**

Other financial expenses comprise interest expenses and transactions in foreign currencies.

#### **Tax on profit/loss for the year**

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

#### **Balance sheet**

##### **Intellectual property rights etc.**

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised over the term of the agreement.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

The basis of depreciation is cost 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 being: 10 years.

##### **Property, plant and equipment**

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

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 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:

	<b>Useful life</b>
Other fixtures and fittings, tools and equipment	5 years
Leasehold improvements	5 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

### **Receivables**

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

### **Prepayments**

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

### **Cash**

Cash comprises cash in hand and bank deposits.

### **Other financial liabilities**

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

Distributions payable that have been adopted and communicated to the beneficiary on the balance sheet date in accordance with the object of the Foundation but that have not been paid out on the balance sheet date, are recognised in Other payables in the balance sheet.

Distributions payable that are expected to be paid out within one year of the balance sheet date are recognised as current liabilities other than provisions in the balance sheet whereas distributions payable that are expected to be paid out more than one year after the balance sheet date are recognised as non-current liabilities other than provisions in the balance sheet.

### **Deferred income**

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