

## ANNUAL REPORT 2016

Sackler Foundation  
Leiden

Foundation Endowment for the Raymond and Beverly Sackler Chair of the history and culture of the United States of America and the Americas



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## REPORT OF THE BOARD OF THE FOUNDATION

### Aims

1. The Foundation intends:
  - a. to improve the knowledge about and the understanding of the history and the culture of America, particularly the United States of America;
  - b. to contribute to improving the quality of education and scientific knowledge and research at the Leiden University in the field of the history and the culture of America, particularly the United States of America;
  - c. to establish and maintain a position of professor at the Faculty of Arts of the Leiden University in the field of the history and the culture of America, especially the United States of America, this chair will be called: a "The Raymond and Beverly Sackler Chair of the History and Culture of the United States of America and the Americas";
  - d. to improve the connections between and the knowledge and understanding of the people of the Netherlands and the United States of America;
  - e. to carry out whatever is appropriate to the above or could promote the above, defined as broadly as possible.
2. The Foundation seeks to achieve its aims by:
  - a. establishing and maintaining a fund to pay the costs associated with the above-mentioned chair and the associated position of professor;
  - b. supporting the University of Leiden in the establishment and maintenance of the above-mentioned chair and the associated position of professor.
3. The Foundation is a non-profit organization.

### Report of the Board of the Foundation

The 2016 Board Meeting was held on May 17<sup>th</sup>, 2016. During this meeting the 2015 annual report was approved by the Board.

According to the arrangements the Board assigned k€ 100 to the Faculty of Humanities concerning the "Sackler-chair". Because of the retirement of the chair holder this subsidy is limited to k€ 59.

The Board consist of the following members:

Board Membership	Starting date	Term of appointment
C.J.J.M. Stalker	09-02-2013	08-02-2021
H.W. te Beest	01-09-2005	01-05-2017
H. Bijl	01-11-2016	31-10-2020



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**Policy plan**

In accordance with ANBI status stipulations, the Foundation has a current long-term policy plan. This policy plan is approved by the Board each year, being the allocation of its budget in accordance with the aims of the Foundation.

**Report on activities*****Estate and portfolio management - Investment policy 2016***

The asset management of Sackler Foundation is executed by Rabobank. On behalf of the board of the foundation, the treasury committee of Leiden university monitors the development of the capital (including the return) as well as the asset mix of the portfolio (bonds and bank account). The management and the development of the capital is discussed once a year in a meeting between the treasury committee and Rabobank.

The capital of Sackler Foundation has in 2016 developed as follows:

	<b>Bonds</b>	<b>Investment Account</b>	<b>Total</b>
<b>Capital at 1-1</b>	<b>2.347.686</b>	<b>99.844</b>	<b>2.447.530</b>
Direct return		-20.364	-20.364
Indirect return	-28.830		-28.830
Cost		-3.755	-3.755
Other mutations	-680.000	675.000	-5.000
<b>Subtotal</b>	<b>-708.830</b>	<b>650.881</b>	<b>-57.949</b>
<b>Capital at 31-12</b>	<b>1.638.856</b>	<b>750.725</b>	<b>2.389.581</b>

**Explanation**

In 2016 the return was  $\pm$  M€ 0,049 of which M€ 0,020 concerns direct return (dividend and coupon interest), -/- M€ 0,029 indirect return (value decrease of stocks and bonds). In relation to the capital at the beginning of the year (M€ 2,448) this results in a return of  $\pm$  2,22%. In 2016 M€ 0,010 has been separated from the portfolio.

The asset mix in 2016 was as follows:

<b>Asset mix</b>	<b>2015 Q4</b>	<b>2016 Q1</b>	<b>2016 Q2</b>	<b>2016 Q3</b>	<b>2016 Q4</b>
Bonds	96%	85%	85%	84%	69%
Investment account	4%	15%	15%	16%	31%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Prof. dr. C.J.J.M. Stolker  
President



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*Report of the chair holder, Prof. Dr A. Fairclough*

**Annual Report to the Sackler Foundation, January 1-July 31, 2016**

During the final seven months preceding my retirement from the Sackler Chair of American History and Culture I taught a full load of undergraduate and M.A. courses, and supervised several B.A. and M.A. theses.

In January I was one of two keynote speakers in the international conference on *Reconsidering Democracy and the Nation State in Global Perspective* (Leiden University, January 14-16).

On June 25-26 I attended and spoke at the annual American Studies workshop organized by Clark University and held in Luxemburg.

My principal administrative duty was to serve as chair of the examinations committee of Art, Literary Studies, and American Studies. The preparation of the documentation for the mid-term review of the North American Studies M.A. program also occupied a good deal of time.

In addition to reviewing several book and article manuscripts, I contributed two book reviews to the *Times Literary Supplement*.

In the summer of 2016 I completed a book manuscript, *Justice Delayed/Justice Denied: Reconstruction in Natchitoches, Louisiana*. It has been accepted for publication by the University Press of Florida and will be in print next year.

Adam Fairclough  
Professor Emeritus  
February 1, 2017



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**FINANCIAL STATEMENTS**



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# SACKLER FOUNDATION

## BALANCE SHEET AS AT 31 DECEMBER 2016

(After appropriation of the results)

		2016		2015	
		EUR	EUR	EUR	EUR
<b>Current Assets</b>					
Bonds	1	1,638,856		2,347,686	
Accounts receivable	2	25,551		43,947	
Cash	3	754,794		101,998	
<b>Total current assets</b>			<b>2,419,201</b>		<b>2,493,631</b>
<b>TOTAL ASSETS</b>			<b>2,419,201</b>		<b>2,493,631</b>
<b>Equity</b>					
Initial capital	4	2,282,303		2,282,303	
Additional capital	5	107,263		163,973	
Other reserves	6	-34,563		-56,710	
<b>Total equity</b>			<b>2,355,003</b>		<b>2,389,566</b>
<b>Short term debts</b>					
Other debts	7	64,198		104,065	
<b>Total short term debts</b>			<b>64,198</b>		<b>104,065</b>
<b>TOTAL LIABILITIES</b>			<b>2,419,201</b>		<b>2,493,631</b>



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## STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR 2016

	2016		2015	
	EUR	EUR	EUR	EUR
<b>Financial revenues</b>				
Interest from bank accounts	2,122		293	
Interest from bonds	59,119		79,324	
<b>Total financial revenues</b>		<b>61,241</b>		<b>79,617</b>
<b>Financial expenses</b>				
Unrealised capital result on securities	1,936		0	
Realised capital result on securities	0		0	
<b>Total financial expenses</b>		<b>1,936</b>		<b>0</b>
<b>TOTAL INCOME</b>		<b>63,177</b>		<b>79,617</b>
<b>Institution's expenses</b>				
Bank charges	3,691		4,092	
Auditor's fee	4,283		3,025	
<b>Total institution's expenses</b>		<b>7,974</b>		<b>7,117</b>
<b>Financial expenses</b>				
Unrealised capital result on securities	0		29,210	
Realised capital result on securities	30,766		0	
<b>Total financial expenses</b>		<b>30,766</b>		<b>29,210</b>
<b>Transfer of income</b>				
Subsidy of Sackler Chair	59,000		100,000	
<b>Total transfer of income</b>		<b>59,000</b>		<b>100,000</b>
<b>TOTAL EXPENDITURE</b>		<b>97,740</b>		<b>136,327</b>
<b>RESULT FOR THE YEAR</b>		<b>-34,563</b>		<b>-56,710</b>



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## EXPLANATORY NOTES TO THE ANNUAL REPORT

### GENERAL

According to article 11 of the statutes of the Foundation, an account is hereby given of the financial management for 2016. The Foundation was statutorily established on 21 May 2002 and is listed under number 28095440 in the Trade Register.

### Capital

The capital allocated to realizing the aims of the Foundation is formed of:

- a. the sum ("Endowment sum") allocated by the Donors listed below for the realization of the Foundation's aims. Donors:
  - La Fondation Raymond et Beverly Sackler / The Raymond and Beverly Sackler Foundation (Canada);
  - Raymond & Beverly Sackler Stiftung (Basel, Switzerland);
  - The Research Foundation (Bermuda)
- b. the sum allocated by the Leiden University for the realization of the Foundation's aims.
- c. other subsidies, gifts and donations, including:
- d. that which is received through testamentary dispositions or legacies;
- e. that which is received in other ways.

### Income from the Endowment sum

- a. The Board of the Foundation is authorized to use the income received from the Endowment sum, but not the Endowment sum itself, to reimburse the costs arising directly from the establishment and maintenance of the above-mentioned chair and the associated position of professor.
- b. If the income from the Endowment sum is greater than the specified costs, the excess sum will be added in the next financial year to the Endowment sum and shall form part of it.
- c. In contrast, if the specified costs are greater than the income from the Endowment sum, the excess sum will be paid from the sum received from Leiden University.
- d. The sum received from the University of Leiden will at least match the total sum received from the Donors.
- e. The Board of the Foundation is **not** authorized to use the Endowment sum, to establish an usufructs for the benefit of another, to pledge the Endowment sum or to use it in any other way for security for the payment of debts or liabilities of others.

### GENERAL PRINCIPLES FOR COMPILING THE ANNUAL ACCOUNT

The annual account is compiled on the grounds of the Guidelines for Annual Reporting 640 for entrepreneurs without profit ambitions (the relevant principles are therefore equivalent to the principles applicable to the university on the grounds of the Guideline for Annual Reporting 660 for educational institutions).



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## PRINCIPLES FOR EVALUATION OF ASSETS AND LIABILITIES AND THE DETERMINATION OF THE RESULT

### General principles

The principles applied for the assessment of assets and liabilities and the determination of the result are based on historic costs, with the exception of the financial instruments. Unless otherwise mentioned, assets and liabilities are included at nominal value.

An asset is included in the balance sheet when it is probable that the future economic advantages will accrue to the organization and the value of this can be determined.

A liability is included in the balance when it is probable that the settlement of this will be accompanied by an outflow of resources and the extent of the amount can be determined reliably.

The income and expenditure are ascribed to the period to which they relate. The annual account is prepared in Euros.

The preparation of the annual accounts requires that the management should formulate evaluations, and should make estimates and assumptions that influence the application of principles and the reported value of assets and obligations, and profits and losses. The actual results may vary from these estimates. The estimates and underlying assumptions will be assessed on a continuous basis. Revisions of estimates will be included in the period in which the estimate is revised and in future periods for which the revision has consequences.

Benefits will be included in the profit and loss account when an increase in the economic potential of an asset or a reduction of an obligation has taken place, of which the extent can be determined reliably. Costs will be processed when a reduction in the economic potential, together with a reduction of an asset or an increase of an obligation, has taken place, of which the extent can be determined reliably.

### Bonds

The individual bonds are valued against the market price on the balance sheet date. Adjustments in the valuations are recognized in the statement of income and expenditure.

### Trade receivables

The trade receivables amount does not include any amount due for a period exceeding one year.

### Accounts receivable and debts

Fair value of accounts receivables and short term debts are included against amortized cost price and they do not deviate significantly from their nominal amounts.

### Cash

Cash are included at nominal values and are available for discretionary spending.

### Other reserves

Each year the business results achieved will be added to or deducted from the 'Other reserves' business result. This reserve is fully available in line with the objectives of the Foundation. No distinction is made in the articles between reserves for discretionary spending and fixed reserves nor between specific objectives and/or restricted spending options.

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### **Basis for determination of the result**

#### **Sponsoring proceeds based on Barter**

In case of a barter transaction ('Barter') the proceeds shall only be processed if, on the one hand, the barter involves services which are not comparable in nature and if, on the other hand, the proceeds of these obtained 'barter' may be determined in a reliable manner.

#### **Subsidy**

Subsidies are awarded in accordance with the stipulations in the Foundation's articles. Unconditionally awarded subsidies are recorded as a charge in the year in which they have been awarded. Conditionally awarded subsidies will be recorded as obligations which are not evidenced by the balance sheet, in case not all the conditions have yet been complied with on the balance sheet date.

#### **Appropriation of the result for the year**

According to the article of the statutes, a positive result for the year will be added in the next financial year to the initial capital in ratio of the "Endowment sum" and of the "Leiden University sum". In the current financial year a positive operating result will be added to the balance sheet "Other reserves" and is available to the aims of the Foundation.

In case of an negative operating result the excess sum will be paid from the sum received from Leiden University.

#### **Determination of the results**

The balance of the profits and losses will be determined as the difference between the balance of profits and losses on the one hand and the costs incurred in exploitation on the other hand.

#### **Transfer of income**

Transfer of income is awarded in line with the statutory stipulations of the Foundation. Unconditional subsidies are accounted for as expenditure. Conditional subsidies are included as obligations not taken from the balance, if all or some of the conditions have not been met on the balance date.



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# SACKLER FOUNDATION

## EXPLANATORY NOTES TO THE ANNUAL REPORT

	2016		2015	
	EUR	EUR	EUR	EUR
<b>Current Assets</b>				
<b>1. Bonds</b>				
Bonds as at 1 January	2,347,686		2,376,896	
Additions	0		0	
Disposals	-680,000		0	
Unrealised capital result on securities	1,936		-29,210	
Realised capital result on securities	-30,766		0	
<b>Total Bonds</b>		<b>1,638,856</b>		<b>2,347,686</b>
<b>2. Accounts receivable</b>				
Coupon interest	23,748		43,947	
Bank interest	1,803		0	
<b>Total accounts receivable</b>		<b>25,551</b>		<b>43,947</b>
<b>3. Cash</b>				
NL67 RABO 0161959652 payment account	4,069		2,154	
NL16 RABO 0301709440 investment account	750,725		99,844	
<b>Total cash</b>		<b>754,794</b>		<b>101,998</b>
<b>Equity</b>				
<b>4. Initial capital</b>				
Sackler part (49,9%)	1,138,869		1,138,869	
Leiden University part (50,1%)	1,143,434		1,143,434	
<b>Total initial capital</b>		<b>2,282,303</b>		<b>2,282,303</b>
<b>5. Additional capital</b>				
Sackler part (49,9%)	156,652		139,212	
Allocation from Other reserves	0		17,440	
<b>Subtotal Additional capital (Sackler part)</b>		<b>156,652</b>		<b>156,652</b>
Leiden University part (50,1%)	7,321		-10,189	
Allocation from Other reserves	-56,710		17,510	
<b>Subtotal Additional capital (Leiden University part)</b>		<b>-49,389</b>		<b>7,321</b>
<b>Total Additional capital</b>		<b>107,263</b>		<b>163,973</b>
<b>6. Other reserves</b>				
Sackler part (49,9%) as at 1 January	0		17,440	
Allocation to Additional capital	0		-17,440	
Operating result	0		0	
<b>Subtotal Other reserves (Sackler part)</b>		<b>0</b>		<b>0</b>
Leiden University part (50,1%) as at 1 January	-56,710		17,510	
Allocation to Additional capital	56,710		-17,510	
Operating result	-34,563		-56,710	
<b>Subtotal Other reserves (Leiden University part)</b>		<b>-34,563</b>		<b>-56,710</b>
<b>Total Other reserves</b>		<b>-34,563</b>		<b>-56,710</b>

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**Appropriation of the 2015 result**

The 2015 annual accounts were adopted in the Board meeting held on May 17<sup>th</sup>, 2015. The Board meeting has paid the result 2015 of € 34,950 from the other reserves.

**Motion for appropriation of the result of the financial year 2016**

The Board proposes to appropriate the achieved negative result of € 75,563 as follows. The negative result 2016 of € 75,563 will be paid from the other reserves, the Leiden University part. The above motion has been incorporated in the annual accounts accordingly.

**7. Short term debts**

Costs/subsidy Sackler Chair	59,000	100,000	
Bank expenses	915	1,040	
Auditor's charge	4,283	3,025	
<i>Total Short term debts</i>		<i>64,198</i>	<i>104,065</i>

**Other information****Payment of members of the Board**

The members of the Board do not receive any emoluments of the Sackler Foundation.

**Employees**

The Sackler Foundation has no employees.

**Report of incidents after the balance sheet date**

No incidents occurred that had consequences for the balance sheet date.



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**SIGNATURE OF ANNUAL REPORT 2016**

Leiden,

31 March 2017

Prof. dr. C.J.J.M. Stolker  
President

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Drs. H.W. te Beest  
Secretary-Treasurer

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Prof. dr.ir.drs. H. Bijl  
Member of the Board

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## OTHER INFORMATION

### **Provisions in the Articles of Association governing the appropriation of the result**

According to the article of the statutes, a positive result for the year will be added in the next financial year to the initial capital in ratio of the "Endowment sum" and of the "Leiden University sum". In the current financial year a positive operating result will be added to the balance sheet "Other reserves" and is available to the aims of the Foundation. In case of an negative operating result the excess sum will be paid to the sum received from Leiden University.



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**AUDITOR'S REPORT**



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**AUDITOR'S REPORT**



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Appendix 1 SPECIFICATION BONDS AS AT 31<sup>ST</sup> DECEMBER 2016

## Specification bonds as at 31 December 2016

EUROBONDS	STOCK VALUE				PAID IN EUR	UNREALISED DIFFERENCES
	NOMINAL VALUE	CURRENCY	STOCK VALUE			
ABN AMRO 13/23 2,5%	100,000	EUR	113.255%	113,474	103,986	9,488
Danone 2013/2019 1,375%	100,000	EUR	106.585%	104,353	99,648	4,705
Duitsland 2011/2022 2%	200,000	EUR	112.647%	229,249	210,600	18,649
IBM Senior 2012/2019 1,375%	100,000	EUR	104.292%	104,451	98,520	5,931
McDonalds 2013/2023 2%	100,000	EUR	108.151%	109,318	96,495	12,823
Nederland 2007/2017 4,5%	365,000	EUR	102.859%	383,041	401,702	-18,661
Optus Finance 2009/2020 3,5%	100,000	EUR	112.090%	113,116	100,721	12,395
Procter and Gamble 2005/2020 4,125%	100,000	EUR	116.551%	116,822	111,547	5,275
Schiphol 2011/2021 4,43%	100,000	EUR	118.262%	121,260	104,643	16,617
Tennet 2011/2023 4,625%	100,000	EUR	126.281%	130,236	120,509	9,727
Wolters Kluwer 2014/2024 2,5%	100,000	EUR	111.948%	113,536	101,437	12,099
TOTALEUROBONDS				1,638,856	1,549,808	89,048



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