



2007

National Culture & Arts Foundation
Annual Report 2007

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Organization

Organization



Organization

NCAF was established in January of 1996 with the service goal of developing and raising the quality of the cultural environment and encouraging cultural undertakings with awards. The National Culture and Arts Foundation Founding Provisions clearly delineate NCAF's scope of service as: assisting and conducting cultural activities, subsidizing various cultural undertakings, awarding those engaged in culture-related work and accomplishing the cultural missions drafted in the award regulations.

The NCAF established a board of directors which includes arts professionals, scholars, experts, representatives from related governmental organs and other community members appointed by recommendations from the Council for Cultural Affairs to the president of the Executive Yuan. The Board of Directors appoints a chairman to represent NCAF to the public and to preside over internal board functions and affairs. To make the operation and policy creation process of the Board more effective, members are grouped based on individual area of specialty into the Grants Review Committee, Fund Management Committee and Policy Committee.

The Board of Supervisors was established with five members who were all appointed in the same way as the Board of Directors. The chief supervisor is selected by the board members. Additionally, the Board established the position of auditor who works under the Board and reports directly to the chief supervisor. The auditor evaluates the internal operations of the Board to insure its financial and professional affairs are carried out effectively.

The Executive Department works directly under the Board of Directors and is led by an executive director who is also supervised by the Board of Directors. The Executive Department consists of the Research and Development Department, Grants Departments 1 and 2, the Resource Development Department, Administration Department and Finance Department. In total, employment at NCAF is restricted to thirty-five people. This year, additional temporary employees were hired to respond to the demands of special programming, commissioned projects, and a greater need for professional capacity. In addressing the distribution of labor resources to cover routine administrative operations and non-core operations, we gave consideration to quality and the efficient use of personnel.



Grants

Grants



Grants

NCAF has devoted itself to the establishment of a subsidy program that can amply meet the needs of the arts and culture environment and make the best use of limited funds. The granting system operates under the principles of impartiality, openness and transparency, and is based on the grant application guidelines as set forth by the Board. Guidelines include: public application information, regulated grant procedures, the scheduling of adjudication meetings, public announcement of results after board approval and follow-up evaluations of award recipients.

Regular grants in 2007 accounted for the largest portion of resources. Among the total amount of funds granted, 85% was spent on regular grants and 15% on project grants. The Project Grants Program was established to address urgent or specific requirements and initiate a strategy of special programming and coordination with regular grants to develop the arts and culture environment more effectively.

The project grants are for specific, special purposes; the number of recipients is limited and awards granted by this program are generally higher. Comparing regular and project grants for 2007, the average success rate for winning grants was 47.9% for regular grants and 20.3% for project grants and the average amount granted for regular grants was 165,052 NTD and 642,903 NTD for project grants. Overall, applications for project grants need to be more competitive and goals need to be outlined more clearly so that the merits of the application are more prominent.

2007 project grants were divided along categories similar to those created in 2003, and include the Audiovisual-Media Art Project, Creative Writing (Novel) Project, Taiwanese Opera Renaissance Project, Curatorial Practice in Exhibitions Project and Marketing Platform Project for the Performing Arts.

Project grants are more likely to receive corporate support due to their integrated and directed programming. Project grants receiving corporate support include the Learning through Arts — Art Education Project, Techno Art Creation Project, Pursuit of Excellence Project for the Performing Arts and Documentary Presentation Project. Details regarding grants on the art and business platform are below.

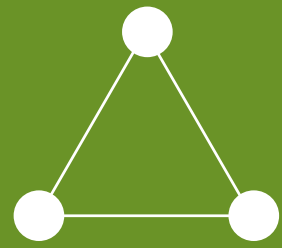
Grants



Regular Grants, Dance Category, *Of Man and Object* by Taipei Dance Circle



Regular Grants, Fine Art Category, *Natural Perception*—Yu Wen-fu's Art



Art and Business Projects

Art and Business Projects



Art and Business Projects

A vast support system is necessary to turn creativity in the arts into publicly presentable projects, and making this system run well is an issue dominating the future of the arts and culture community. NCAF consistently tracks specific areas of development and overall environmental trends in its mission of financial support for culture and the arts. Besides administering the regular grant program, NCAF also initiates cooperation with private enterprises, and using an investment concept acquires and allocates resources for areas that possess both high potential and important, strategic and immediate development need.

In the early stages of private corporate sponsorship for the arts, the majority of relationships were based on a unidirectional flow of resources from corporations to the arts. However, after twenty or thirty years of corporate sponsorship for the arts, western countries have already entered a stage of arts and corporate partnerships. In recent years, similar attempts have been made in Taiwan, including the Friends of NCAF program which is an NCAF initiated cooperative platform for arts and business projects.

Friends of NCAF was officially established in February of 2004 when we recruited corporate members who had a desire to participate in these kinds of cooperative ventures. In facilitating exchange between the art and corporate worlds with forums and lunch and dinner gatherings, this organization has cultivated cooperative understanding and numerous opportunities. To date, NCAF and Friends of NCAF have facilitated a number of cooperative programs, in the areas of performance, visual arts, art education, talent cultivation and publishing.

Art and Business Projects

In 2007, the Friends of NCAF along with their private corporate sponsors implemented seven projects, four of which received NCAF grants: Learning through Arts – Art Education Project, sponsored by Lion Pencil Co., Ltd.; Techno Art Creation Project, sponsored by Chew's Culture Foundation, Lite-On Cultural Foundation and Acer Foundation; Documentary Presentation Project, sponsored by an anonymous donor and the Second Pursuit of Excellence Project for the Performing Arts, sponsored by NSFG Foundation and Taishin Bank Foundation for Arts and Culture. Three projects received marketing and educational support: the Second Curatorial Practice in Exhibitions Project, with marketing sponsored by Quanta Culture & Education Foundation; the Second Pursuit of Excellence Project for the Performing Arts, with marketing sponsored by Taishin Holdings and The Second Exhibition of Techno Art Creation Project, with marketing, educational programs, equipment and advertising sponsored by Acer Foundation, Rock Hsu from VIBO Telecom Inc., Epson Taiwan and the Art and Collection Group.



Friends of NCAF attending the program *Green Ray Performance Workshop* in July of 2007, allowing members to experience rehearsing process firsthand.

Art and Business Projects



Friends of NCAF attending the Fifth Taishin Arts Awards Exhibition at the Taishin Financial Tower Art Gallery.

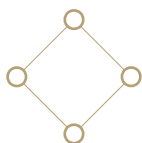


Taitung Theatre Troupe's *Blog for Art* at the Learning through Arts — Art Education Project.



**National Award
for Arts**

National Award for Arts



National Award for Arts

In order to encourage outstanding and successful artists, NCAF started the National Award for Arts in 1997. The awards process is managed with strictness and rigor, and funds prominent and representative figures in the fields of literature, visual arts, music, dance, theater, architecture and film. Within the art world, the award has been widely acknowledged as the highest honor bestowed upon artists.

As recipients of the National Award for Arts have taken pains to scale the highest peaks of success and court the passion and wisdom of the arts, they have explored many aspects of value to society. In addition to the award ceremony and National Award for Arts Catalogue, NCAF has created a series of programming to expand the influence and educational effect of the award and to allow society to appreciate the recipient's character and artistic achievements more deeply. This series includes the Documentary on Award Recipients produced in cooperation with the public television station, promotion of the Resident Artist Program and the support for the publication of the Award Recipient Catalog. These activities bring the recipient's achievements into everyday life, so that more people can appreciate them more closely and easily.

The Eleventh Annual National Award for Arts was conducted based on the sixth edition of the National Award for Arts Policy Guidelines (passed by the fourth term of the board at their fifth meeting which took place on September, 19, 2005), and includes the seven categories of literature, art, music, dance, theater, architecture and film, with a maximum number of seven awardees. The nomination committee is in charge of nomination procedures, while the preliminary jury and final jury handle adjudication meetings. The final decisions of the nomination committee and juries must be passed by a two-thirds vote in order to ensure rigor in the selection mechanism.

The Eleventh Annual National Award for Arts accepted recommendations from November to the end of December of 2006. The nomination meeting was held from March 9 to March 15, 2007, and handled nomination procedures. Adjudication meetings were held from May 2 to May 18 to select one candidate from each category, and on June 29, seven committee members convened to form a final judging panel and select this year's award winners. After the panel submitted their results to the Board of Directors on July 2, the list of awardees was publicly announced.

National Award for Arts

The winners of the Eleventh National Award for the Arts include: film director Wang Tung, poet Li Min-yong, designer Apex Lin Pang-Soong, architect Kris Yao, dancer Fayi Sheu, chantefable artist Yang Hsiu-ching and performer Wei Haimin. This year's award ceremony was held at the Taipei Guest House on October 26.

The awards ceremony for the Eleventh Annual National Award for Arts was conducted upon the invitation and support of the Presidential Palace and Ministry of Foreign Affairs, and was held at the Taipei Guest House. President Chen Shui-bian made a speech and personally present awards to this year's seven recipients. Also in attendance were the Council for Cultural Affairs Chairperson Wong Chin-chu, Vice Chairperson Wu Jin-fa and Third Department Director Huang Tsai-lang, as well as Fan Man-nong, Chen Qian-wu, Wang Hsiu-hsiung, Han Pao-the, Lin Huai-min, Liao Chiung-chih and Wang An-chi. In total, two-hundred people attended this grand and genial event.

The seven recipients of the Eleventh Annual National Award for the Arts are not only outstanding professionals who are widely regarded in their fields, but also support their colleagues and have fostered the younger generation. In order to express the spirit of this national award, Dance Forum Taipei was specially invited to create a work on the outdoor garden stage of the Taipei Guest House for the ceremony, which harmoniously introduced culture onto the backdrop of the garden's natural beauty. Furthermore, the well known television news anchor, Chan Yi-yi was invited to be the master of ceremonies for the event. A documentary created by the public television station devoting three minutes to each awardee was aired at the event, and each recipient gave a short speech when receiving their award. There were performances by the aboriginal Taiwanese singers Nabu and Panai accompanied by cellist Ouyang Ling-yi and her trio, and a performance by Diabolo Dance Theatre. All of this contributed to the rich and diverse atmosphere of this year's event.

National Award for Arts



Film director Wang Tung
(Photo: Liu Chen-hsiang)



Poet Li Min-yong
(Photo: Liu Chen-hsiang)



Designer Apex Lin Pang-Soong
(Photo: Liu Chen-hsiang)



Architect Kris Yao
(Photo: Liu Chen-hsiang)

National Award for Arts



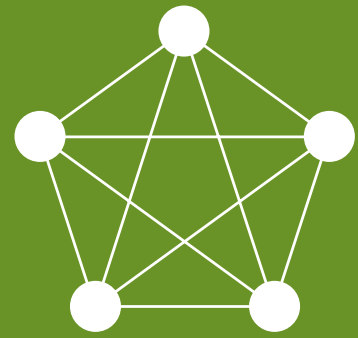
Dancer Fayi Sheu
(Photo: Liu Chen-hsiang)



Chantefable artist Yang Hsiu-ching
(Photo: Liu Chen-hsiang)



Performer Wei Haimin
(Photo: Liu Chen-hsiang)



**Research and
Development**

Research and Development



Research and Development

The goal of NCAF's research and development work is to reflect the arts and cultural environment and refine incentive methods, develop foresight policies and promotional strategies, accumulate research results and create a think tank. Besides serving as a foundation for NCAF operations in perpetuity, NCAF's research and development mission will energetically expand NCAF services in the hopes of sustaining future development of the arts industries and raise the quality of the overall cultural environment. The 2007 research and development work was based on this objective, and was divided into four directions based on its development strategy and policy plan, grant analysis, developments in the art environment and development in cultural creative industries.

The development strategy and policy plan was entrusted to the Center for the Third Sector of National Chengchi University, which implemented the National Culture & Arts Foundation Evaluation Research –Analysis of Financial Affairs project, reevaluated the foundation's financial operations and drafted plans for stable future development.

When analyzing the NCAF granting mechanism, we promoted research projects that focus on community art programming. With this strategy, we hoped to understand how art programming can turn culture into public capital with the help of subsidy mechanisms from the perspective of the expanding the connection between art, both domestic and international, and society.

In response to the flourishing development of local arts and culture, we investigated recent art practices in certain communities, creating individual case reports and recording observations of these art practices in the local environment. Furthermore, this year we were entrusted by the Council for Cultural Affairs to program the 2007 County and City International Art Festival Evaluation Project, which stressed prior consultation more than in previous years. This proactive approach helped to raise the quality of county and city art festival programming.

Research and Development

Research and development of cultural creative industries lies in research strategies which have accumulated in related industries over past several years. This year, NCAF implemented the Culture Creative Industry Guidance Plan, and also the Historic Site Renovation, Revitalization and Networking Project for the Land Bank Exhibition Hall, Taiwan Railway Division Exhibition Hall and Camphor Exhibition Hall, which was entrusted to NCAF by the National Taiwan Museum. Through this research and development process, cooperation was initiated between the arts and industry and partnerships were established with local community and cultural groups. Additionally, LES Chinese Taipei assisted in providing reasonable creative product authorization and fair trade feedback and provided NCAF and related individuals in the field with a reference for future marketing of creative industry products on a case by case basis. This year saw the completion of the Creative ABC Website, which serves as a longterm cross-disciplinary platform for information exchange among various cultural topics for the entire organization, and is implemented via electronic reporting and a website which introduces contemporary inter-disciplinary topics to society.

Looking back on the research and development efforts of 2007, we have accomplished research and programming in different areas through cooperation with governmental departments, academia, community groups, and cultural creative industries. This has extended NCAF's services while sustaining our drive to establish a cultural think tank.



National Taiwan Museum, Cultural Product Indigenous Owls of Taiwan. (Photo: Chen Ming-hui)

Research and Development



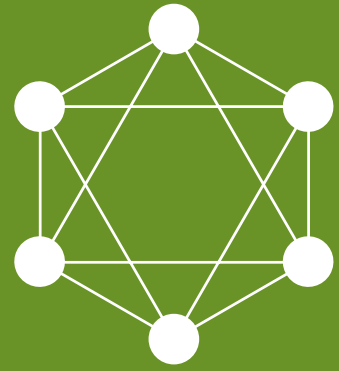
The exhibition for *Art as Environment: A Cultural Action on Tropic of Cancer*. (Photo: Lin Buo-liang)



Left: Taiwan Community Art Action Case Study Project, onsite visit: *Tainan Beda Community Mural*. (Photo: Lin Buo-liang)

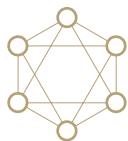


Right: Taiwan Community Art Action Case Study Project, onsite visit: *Tainan Togo Village Art Transformation*. (Photo: Lin Buo-liang)



**Resource
Development**

Resource Development



Resource Development

NCAF's primary goals are to provide proactive guidance and assist in the construction of useful exhibition and performance venues for artists. However, while implementing work related to our goals, we realized the depth of limitations of governmental resources. Therefore, if we want to assist in the development of culture, we must strive harder to actively expand the potential of other resources.

Over the longterm, NCAF has gained valuable experience in grant distribution, research and development and resource raising and has established considerable credibility. Based on this, we can effectively network resources among governmental departments, academia, the corporate world and other private organizations. Such substantial experience has allowed us to both provide the world of arts and culture with the most comprehensive and effective service with our programs, and also create opportunities for cooperative exchange among various fields. The ultimate goal of these efforts is to create more possibilities for advancement in the area of cultural enterprises and strive for long term resource collection and allocation.

On the foundation described above, NCAF accomplished resource development tasks in 2007 that were divided into the three sections of resource integration, international exchange and public service. Under the resource integration section, the Arts Card was created in cooperation with private banks and the A&B website was established in cooperation with the Friends of NCAF. Both of these programs continue this year in the hopes of promoting concepts of cultural identity and cooperation between the arts and business.

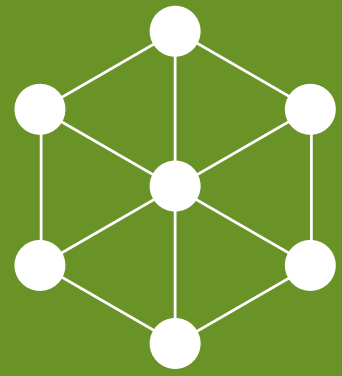
Resource Development

For the international exchange section, NCAF implemented and completed the France/Taiwan Art Professional Exchange Program. This eight-day research program was led by Chief Officer Marie-Christine Lorang of the French Ministry of Culture and Communication. The event was attended by representatives from cultural organizations who came to Taiwan to exchange views on the theme of the protection of copyrights in music and movies with professionals in related fields.

The public service aspect was mainly fulfilled through the publication of the magazine NCAF Quarterly, the annual report and the foundation's website. In 2007 a revised edition of the NCAF Newsletter was published, and its format was changed from a newspaper to the NCAF Quarterly. In addition to basic content presented in the past, news briefs concerning the foundation's grant allocation and exchanges between foundation personnel, the magazine's new format will include content beyond the arts and culture fields, with the hope of reaching the business world and society at large. The foundation website was also revised this year; an on-line grant application service was added with more complete information and a user friendly interface. We hope to provide the arts and culture world, as well as the general public, with more abundant and multifaceted service and information with the speed and ease of use that the Internet can provide.

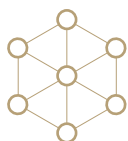


The Foundation's publication changes to the quarterly magazine *NCAF Quarterly*.



Finance

Finance



Finance

Funding for NCAF comes primarily from interest earned on the foundation's capital assets, and a smaller portion comes through public fund raising efforts. Due to the volatility of financial markets, management of the financial affairs of the foundation is based on the principals of stability, greatest benefit and dispersal of risk. Operating under the premises of profit and security, in 2007 the foundation dispersed more than 6 billion NTD; more than 2.4 billion for foundation management, 4 billion for long-term investment and 3.2 billion for professional consulting fees.

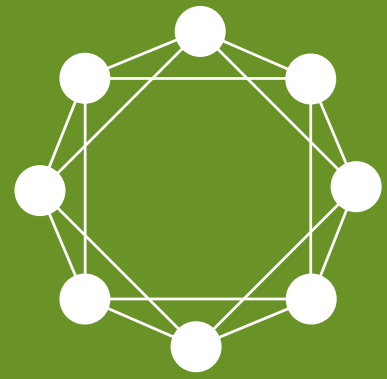
While the world economy presented favorable trends in 2007 due to the rise of new markets which in turn stimulated domestic demand, domestic commodity prices continued rising with unfavorable results for consumers. Additionally, the sub-prime mortgage crisis in the United States has imperiled the flow of capital worldwide, causing the largest fluctuations for Taiwan's stock market in history.

The foundation has tightened control of its cash flow by actively converting its idle funds to short-term promissory notes. In light of the economic situation, the foundation invested in global financial instruments (such as global fixed income funds and global equity funds), mitigating the risk of investing in a single country or region. Consequently, in 2007, the foundation earned 85 million NTD more than projected, and after reëvaluating various expenditures, the foundation realized a net budget surplus of 100 million NTD for the entire year.

Finance



Regular Grants, Visual Arts Category, Spring - A Solo Exhibition by Huang Pei-Ying.



Tables

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Table1: 2007 Annual Regular Grants Analysis

Period	Category	Literature*	Fine Arts	Music	Dance	Drama	Cultural Heritage	Audiovisual Media	Development of Arts and Cultural Environment	Total
2007-1	Applications Received	46	76	211	53	152	47		21	606
	Activity Costs (NT\$)	16,625,816	61,916,757	240,541,550	112,499,239	301,225,971	25,706,464		10,008,348	768,524,145
	Funding Applied For (NT\$)	11,026,807	22,406,388	63,005,913	39,762	67,625,634	16,824,093		6,134,600	225,065,193
	Projects Approved by Board of Directors	16	47	103	37	60	23		14	300
	Ratio of Approvals to Applications	34.78%	61.84%	48.82%	69.81%	39.47%	48.94%		66.67%	49.50%
	Amount Applied for in Approved Grant Applications (NT\$)	3,766,080	14,739,135	33,010,293	32,803,578	31,187,590	8,425,500		4,200,000	128,132,176
	Funding Approved by Board of Directors (NT\$)	1,401,000	5,018,000	10,909,000	12,359,000	10,695,000	3,795,000		1,860,000	46,037,000
	Ratio of Approved Funding to Applied for Funding	12.71%	22.40%	17.31%	32.49%	15.79%	22.56%		30.32%	20.45%
	Ratio of Approved Funding to Amount Applied for in Approved Grant Applications	37.20%	34.05%	33.05%	37.68%	34.23%	45.04%		44.29%	35.91%
2007-2	Applications Received	75	163	237	56	159	54	57	20	821
	Activity Costs (NT\$)	27,063,788	86,188,105	215,013,085	85,047,618	292,776,645	36,847,104	44,430,470	12,693,450	800,060,265
	Funding Applied For (NT\$)	22,419,694	57,082,993	65,846,764	37,780,976	74,077,757	18,883,087	25,207,580	8,065,350	309,364,201
	Projects Approved by Board of Directors	35	74	102	38	82	23	17	13	384
	Ratio of Approvals to Applications	46.67%	45.40%	43.04%	67.86%	51.57%	42.59%	29.82%	65.00%	46.77%
	Amount Applied for in Approved Grant Applications (NT\$)	9,643,630	29,588,647	37,774,144	31,995,720	42,841,811	9,756,597	7,990,000	6,081,050	175,671,599
	Funding Approved by Board of Directors (NT\$)	5,037,000	11,195,000	14,440,000	12,828,000	13,576,000	3,466,766	4,426,000	1,890,000	66,858,766
	Ratio of Approved Funding to Applied for Funding	22.47%	19.61%	21.93%	33.95%	18.33%	18.36%	17.56%	23.43%	21.61%
	Ratio of Approved Funding to Amount Applied for in Approved Grant Applications	52.23%	37.84%	38.23%	40.09%	31.69%	35.53%	55.39%	31.08%	38.06%
2007	Applications Received	121	239	448	109	311	101	57	41	1,427
	Activity Costs (NT\$)	43,689,604	148,104,862	455,554,635	197,546,857	594,002,616	62,553,568	44,430,470	22,701,798	1,568,584,410
	Funding Applied For (NT\$)	33,446,501	79,489,381	128,852,677	75,822,734	141,703,391	35,707,180	25,207,580	14,199,950	534,429,394
	Projects Approved by Board of Directors	51	121	205	75	142	46	17	27	684
	Ratio of Approvals to Applications	42.15%	50.63%	45.76%	68.81%	45.66%	45.54%	29.82%	65.85%	47.93%
	Amount Applied for in Approved Grant Applications (NT\$)	13,409,710	44,327,782	70,784,437	64,799,298	74,029,401	18,182,097	7,990,000	10,281,050	303,803,775
	Funding Approved by Board of Directors (NT\$)	6,438,000	16,213,000	25,349,000	25,187,000	24,271,000	7,261,766	4,426,000	3,750,000	112,895,766
	Ratio of Approved Funding to Applied for Funding	19.25%	20.40%	19.67%	33.22%	17.11%	20.34%	17.56%	26.41%	21.12%
	Ratio of Approved Funding to Amount Applied for in Approved Grant Applications	48.01%	36.58%	35.81%	38.87%	32.76%	39.94%	55.39%	36.47%	37.15%
	Proportion of Total Grant Funding	5.7%	14.4%	22.5%	22.3%	21.5%	6.4%	3.9%	3.3%	100.0%

*Since 2006, CCA has been sponsoring both publication and creation grants. Publication grants allow for the purchase of 1000 copies of the awardee’s finished book. In the two categories, there was a total of 14 awardees in 2006. The amount listed in this table does not reflect the funds used to purchase books.

Table2: Projects and Funding Analysis

Category	2007 Total	2007-2	2007-1	2006 Total	2005 Total	2004 Total	2003 Total	2002 Total	2001 Total	July 1999-Dec 2000 Total	July 1998-June 1999 Total	July 1997-June 1998 Total	July 1996-June 1997 Total
Total Received Applications	1,427	821	606	1,332	1,393	1,233	1,300	1,165	1,916	3,038	2,098	1,698	1,603
Activity Costs (NT\$)	1,568,584,410	800,060,265	768,524,145	1,561,539,593	1,640,789,948	1,473,639,109	1,487,031,645	1,356,354,722	2,471,793,932	3,511,392,410	2,278,645,051	2,138,430,033	2,355,634,121
Funding Applied For (NT\$)	534,429,394	309,364,201	225,065,193	586,237,500	625,939,220	588,856,399	621,864,770	570,440,654	1,124,973,042	1,633,058,234	1,000,310,143	990,364,800	1,119,824,981
Projects Approved by Board of Directors	684	384	300	602	594	549	540	495	694	1,213	902	802	622
Ratio of Approved Projects to Received Applications	47.9%	46.8%	49.5%	45.2%	42.6%	44.5%	41.5%	42.5%	36.2%	39.9%	43.0%	47.2%	38.8%
Funding Approved by Board of Directors (NT\$)	112,895,766	66,858,766	46,037,000	104,211,629	117,907,400	118,073,505	119,337,920	102,771,210	164,145,705	299,949,919	199,424,060	160,245,934	110,677,340
Ratio of Approved Funding to Applied for Funding	37.2%	38.1%	35.9%	36.7%	35.2%	36.8%	40.1%	40.4%	37.9%	42.1%	47.3%	44.1%	30.0%

Table3: First Time Grant Recipients Analysis

Year	Number of First Time Grant Recipient Groups	Accumulated Number	Number of First Time Grant Recipient Individuals	Accumulated Number	Total	Accumulated Total
July 1996-June 1997	217	217	237	237	454	454
July 1997-June 1998	128	345	294	531	422	876
July 1998-June 1999	91	436	289	820	380	1256
July 1999-June 2000	136	572	214	1034	350	1606
2001	57	629	107	1141	164	1770
2002	48	677	84	1225	132	1902
2003	41	718	78	1303	119	2021
2004	56	774	91	1394	147	2168
2005	65	839	95	1489	160	2328
2006	77	916	79	1568	156	2444
2007	106	1022	70	1638	176	2660

Tables4: Balance Sheets

ACCOUNT	2007.12.31		2006.12.31	
	Amount	%	Amount	%
Current Assets	\$6,166,186,140	95.85	\$6,223,732,998	98.39
Cash and Cash Equivalents	5,604,888,363	87.12	6,112,385,382	96.63
Marketable Services (net)	551,544,216	8.57	92,095,423	1.46
Notes Receivable	-	0.00	17,098	0.00
Accounts Receivable (Net)	268,724	0.01	10,536,780	0.17
Other Receivables	6,501,827	0.10	5,980,931	0.09
Prepaid Expenses	1,378,818	0.02	1,406,501	0.02
Other Current Assets	1,604,192	0.03	1,310,883	0.02
Funds and Investment	\$257,164,775	4.00	\$92,825,070	1.47
Available- for-sale Financial Assets - Noncurrent	257,164,775	4.00	\$92,825,070	1.47
Net Value of Fixed Assets	\$7,044,855	0.11	\$5,987,133	0.09
Costs:				
Information Equipment	5,580,476	0.09	5,182,551	0.08
Office Equipment	4,648,113	0.07	4,650,183	0.07
Communication Equipment	1,952,130	0.03	1,952,130	0.03
Other Equipment	6,568,036	0.10	5,588,036	0.09
Less: Accumulated Depreciation	(11,703,900)	-0.18	(11,385,767)	-0.18
Intangible Assets	\$1,066,015	0.01	\$995,774	0.02
Intangible Assets	1,066,015	0.01	995,774	0.02
Other Assets	\$1,929,456	0.03	\$1,929,456	0.03
Refundable Deposits	1,929,456	0.03	1,929,456	0.03
TOTAL ASSETS	\$6,433,391,241	100.00	\$6,325,470,431	100.00
Current Liabilities	\$120,384,668	1.87	\$131,226,663	2.07
Notes Payable	575,258	0.01	1,230,962	0.02
Grants Payable	108,839,866	1.69	110,790,457	1.75
Accrued Expenses	8,740,458	0.14	16,596,862	0.26
Other Payable	23,073	0.00	475,790	0.02
Advance Receipts	2,145,578	0.03	2,000,000	0.04
Other Current Liabilities	60,435	0.00	132,592	0.00
Other Liabilities	\$0	-	\$1,772,201	0.03
Accrued Pension Costs	-	-	1,772,201	0.03
Total Liabilities	\$120,384,668	1.87	\$132,998,864	2.10
Funds and Surplus	\$6,008,637,778	93.40	\$6,008,087,893	94.98
Flotation Fund	2,000,000,000	31.09	2,000,000,000	31.62
Donated Funds	3,867,520,553	60.12	3,866,970,668	61.13
Other Funds	141,117,225	2.19	141,117,225	2.23
Surplus	\$275,785,981	4.29	\$175,704,756	2.78
Accumulated Surplus	275,785,981	4.29	175,704,756	2.78
Net Adjustment Items	\$28,582,814	0.44	\$8,678,918	0.14
Unrealized Surplus on Financial Instruments	28,582,814	0.44	\$8,678,918	0.14
Net Worth	\$6,313,006,573	98.13	\$6,192,471,567	97.90
Total Liabilities & Net Worth	\$6,433,391,241	100.00	\$6,325,470,431	100.00

Tables5: Statement of Change in Fund and Surplus

ITEMS	Flotation Fund	Donated Funds	Other Funds	Accumulated surplus	Unrealized Surplus on Financial Instruments	Total
Balance as of January 1, 2006	\$2,000,000,000	\$3,866,241,154	\$141,117,225	\$303,133,706	\$0	\$6,310,492,085
Donated Revenue Transfer to Donated Funds	-	729,514	-	-	-	729,514
Surplus for 2006	-	-	-	(127,428,950)	-	(127,428,950)
Unrealized Surplus on Financial Instruments	-	-	-	-	8,678,918	8,678,918
Balance as of December 31, 2006	\$2,000,000,000	\$3,866,970,668	\$141,117,225	\$175,704,756	\$8,678,918	\$6,192,471,567
Donated Revenue Transfer to Donated Funds	-	549,885	-	-	-	549,885
Surplus for 2007	-	-	-	100,081,225	-	100,081,225
Unrealized Surplus on Financial Instruments	-	-	-	-	19,903,896	19,903,896
Balance as of December 31, 2007	\$2,000,000,000	\$3,867,520,553	\$141,117,225	\$275,785,981	\$28,582,814	\$6,313,006,573

Tables6: Income and Expenditure Statements

Items	2007		2006	
	(2007.1.1-2007.12.31)		(2006.1.1-2006.12.31)	
	Amount	%	Amount	%
INCOME				
Donation-related Income	\$7,705,161	2.42	\$13,150,216	6.10
Service Income	-	-	1,008,495	0.47
Engagement-related Income	5,838,842	1.84	61,040,933	28.30
Financial Income- Interest Income	93,583,692	29.46	108,609,465	50.36
Gain on Valuation of Financial Assets	19,751,525	6.22	8,293,166	3.84
Net Investment Income	183,242,577	57.69	17,911,733	8.31
(investment income NT\$262,841,752 or the period investment loss NT\$79,599,175 for the period)				
Non-operating Income	7,519,719	2.37	5,640,497	2.62
TOTAL INCOME	\$317,641,516	100.00	\$215,654,505	100.00
EXPENDITURE				
Overhead Expenses	\$41,024,078	12.91	\$35,915,843	16.66
Grant-related Expenses	132,863,106	41.83	223,747,328	103.75
Award-related Expenses	10,311,123	3.25	9,130,511	4.23
Donation-related Expenses	2,109,148	0.66	1,632,995	0.76
Service Expenses	855,417	0.27	790,636	0.37
Engagement-related Expenses	5,838,842	1.84	61,040,933	28.31
Other operating Expenses	24,558,577	7.73	10,836,223	5.02
TOTAL EXPENDITURE	\$217,560,291	68.49	\$343,094,469	159.10
Cumulative Effect of Changes in Accounting Principles	-	-	11,014	0.01
ANNUAL SURPLUS	\$100,081,225	31.51	\$(127,428,950)	-59.09

Tables7: Cash Flow Statement

Items	Amount as of This Year		Amount as of Last Year	
	(2007.1.1-2006.12.31)		(2006.1.1-2005.12.31)	
	Subtotal	Total	Subtotal	Total
Cash Flow from Operation				
Current Surplus/Deficit	\$100,081,225		\$(127,428,950)	
Adjustments to reconcile net income to net cash provided by (used in) operating activities				
Depreciation	564,328		645,789	
Amortisation	427,483		59,575	
Cumulative Effect of Changes in Accounting Principles	-		11,014	
Valuation Gain of Financial Assets - Current	(19,751,525)		8,293,166	
Increase/Decrease in Financial Assets	(584,133,077)		232,454,245	
Increase/Decrease in Pension Liabilities	(1,772,201)		784,505	
Increase/Decrease in Accounts Receivable	10,285,154		(665,757)	
Increase in Other Receivables	(520,896)		(3,452,950)	
Decrease in Prepayments	27,683		14,673,893	
Increase in Other Current Assets	(293,309)		(795,681)	
Increase/Decrease in Accounts Payable	(2,606,295)		69,763,624	
Decrease in Accounts Payable	(7,856,404)		(2,756,369)	
Increase/Decrease in Other Payables	(452,717)		258,500	
Increase/Decrease in Receipts in Advance	145,578		(3,418,506)	
Decrease in Other Current Liabilities	(72,157)		(15,230)	
Net Cash Provided/Used by Operating Activities		\$(505,927,130)		\$188,410,868
Cash Flow from Investing				
Cash Paid for Fixed Assets Purchase	\$(1,622,050)		\$(170,000)	
Cash Paid for Intangible Assets Purchase	(497,724)		(998,095)	
Net Cash Used in Investment Activities		(2,119,774)		(1,168,095)
Cash Flow from Financing				
Donated Revenue Transfer to Donated Funds	\$549,885		\$729,514	
Net Cash Provided by Financing Activities		549,885		729,514
Increase in Cash and Cash Equivalent		\$(507,497,019)		\$187,972,287
Balance of Cash and Cash Equivalents at Beginning of the Period		6,112,385,382		5,924,413,095
Balance of Cash and Cash Equivalents at End of the Period		\$5,604,888,363		\$6,112,385,382

National Culture & Arts Foundation Annual Report 2007

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