

藝文 術化

National Culture & Arts Foundation Annual Report

2008

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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

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 granted projects.

Regular grants in 2008 accounted for the largest portion of allocated resources. Among the total amount of funds granted, 79% was spent on regular grants and 21% 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.

In 2008, the average success rate for winning grants was 39.8% for regular grants and 18.9% for project grants. The average amount for regular grants was 181,974 NTD and 540,339 NTD for project grants.



Regular Grants, Fine Art Category: *Beasts - Bear* by Huang Chien-hua

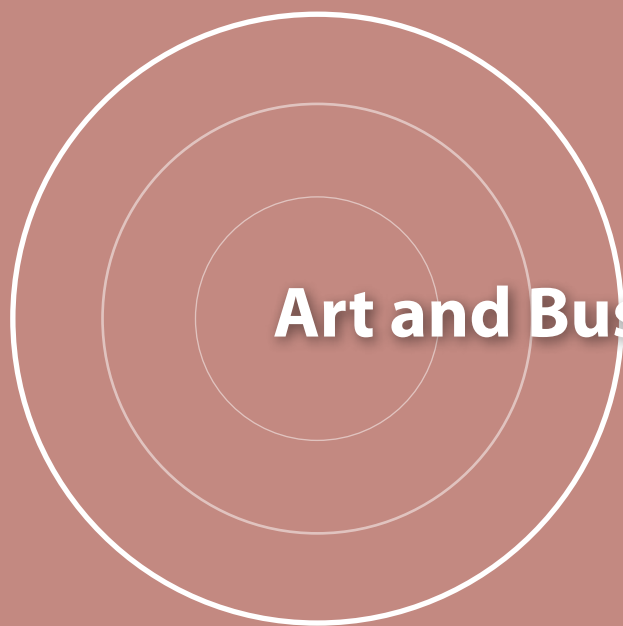
Grants

In 2008, the Project Grants Program was 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. Moreover, this year NCAF used accumulated surplus funds to grant additional, new projects, including Arts Documentary Project, Arts Management Professional Advanced Training Abroad Program, as well as Young Stars, New Vision Project, which was programmed in cooperation with the National Chiang Kai-Shek Cultural Center.

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, Documentary Presentation Project, Pursuit of Excellence Project for the Performing Arts and Techno Art Creation Project. Details regarding grants on the art and business platform are below.



Regular Grants, Drama Category: *Listen To Me, Please!* by Shakespeare's Wild Sisters Group



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 2008, the Friends of NCAF along with other private corporate sponsors implemented eight projects, five of which received NCAF grants: the Second Pursuit of Excellence Project for the Performing Arts, sponsored by NSFG Foundation and Taishin Bank Foundation for Arts and Culture; the Documentary Presentation Project, sponsored by an anonymous donor; Learning through Arts – Art Education Project, sponsored by Lion Pencil Co., Ltd.; the Techno Art Creation Project, sponsored by Chew's Culture Foundation, Acer Foundation and Lite-On Cultural Foundation and the Lights Up on Taiwan Theaters television production, sponsored by Hi-Lo System. Three projects received marketing and educational support: the Second Pursuit of Excellence Project for the Performing Arts, with marketing sponsored by Taishin Holdings; the Third Exhibition of Techno Art Creation Project, with marketing and educational programs sponsored by Jason S. C. Hsu Integrate Investment Corp. and the Third Exhibition of Techno Art Creation Project, with equipment supply sponsored by Epson Taiwan Technology & Trading Ltd.



The Second Pursuit of Excellence Project for the Performing Arts: *The Lost Kingdom* by Academy of Taiwan Strings

Art and Business Projects



Learning through Arts – Art Education Project: *Artxeducation* by Bamboo Culture International



At the opening for the touring exhibition *Beyond a Dialogue* at Hong-Gah Museum, Chairman Andrew Chew interacts with the artwork.



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.



At the award ceremony of the Twelfth Annual National Award for Arts, President Ma Ying-Jeou (first from the right) with award recipients.
(Photo: Liu Chen-hsiang)

National Award for Arts

The Twelfth Annual National Award for Arts was conducted based on the seventh edition of the National Award for Arts Policy Guidelines (passed by the fourth term of the board at their fifteenth meeting which took place on September, 17, 2007), 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 Twelfth Annual National Award for Arts accepted recommendations from November to the end of December of 2007. The nomination meeting was held from March 9 to March 15, 2008, and handled nomination procedures. Adjudication meetings were held from May 2 to May 14 to select one candidate from each category, and on July 3, 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 7, the list of awardees was publicly announced.

The winners of the Twelfth National Award for the Arts include: photographer Li Ping-bin, architect C. Y. Lee, composer Lee Tai-hsiang, writer Shi Shu-qing, performer Liu Ruo-yu and artist Liu Kuo-sung. This year's award ceremony was held at the Taipei Guest House on September 26.

National Award for Arts



Photographer Li Ping-bin

(Photo: Liu Chen-hsiang)



Architect C. Y. Lee

(Photo: Liu Chen-hsiang)



Composer Lee Tai-hsiang

(Photo: Liu Chen-hsiang)



Writer Shi Shu-qing

(Photo: Liu Chen-hsiang)



Performer Liu Ruo-yu

(Photo: Liu Chen-hsiang)



Artist Liu Kuo-sung

(Photo: Liu Chen-hsiang)

A graphic consisting of four concentric circles on the left and a single circle on the right that overlaps with the fourth concentric circle. The text "Research and Development" is centered within the overlapping area.

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 2008 research and development work was based on this objective, and was proceeded in four directions based on grant analysis, developments in the art environment, developments in cultural creative industries and the establishment of a culture and art archive.

The NCAF granting mechanism was analyzed according to leading, pioneering and exemplary research cases in various categories and regions based on results of the Research Project for Innovative Business Model for Art and Exhibition Space. Through sustained observations, we were able to effectively respond to multiple developments and evolving trends in Taiwan's contemporary cultural venues. Furthermore, in order to promote the continued improvement of domestic art and culture organization management, the Research Project on Status of the Operation of Arts and Culture Organizations in Taiwan was implemented with the expectation of meeting current needs of arts and culture organizations and initiating more effective grant policies.

In response to the flourishing development of local arts and culture, the investigation of recent art practices in certain communities was continued, along with the organization of a forum entitled Local Aesthetic Practice - Community versus Art. This programming encouraged dialogue and exchange among members of different arts and culture communities, deepening theoretical understanding. In addition, this year the fourth County and City International Art and Culture Festival Evaluation Project was programmed, which helped to gradually raise the quality of county and city art festival programming.

Research and Development



The 2008 International Ceramics Festival at *The 2008 Taiwan Ceramics Biennale* held at the Yingge Ceramics Museum (Photo: Lee Ai-ru)



The first forum of Local Aesthetic Practice - Community versus Art was held at The National Radio Museum.

Research and Development

Research and development of cultural creative industries was implemented through projects such as the Micro Venture Capital Program for The Development of Cultural and Creative Industries; Creative Craft Products Research and Development, Design, Promotion and Network Program and The Marketing and Promotion Program for the Creative Cultural Products of the National Taiwan Museum which integrated related networks using effective cooperative mechanisms. Moreover, research and development led to innovative guidance strategies, pioneering the creation of cultural creative micro enterprises and the research and development of experimental leading products. This provided strategies for developing cultural creative industries and created a repository of useful reference materials.

This year, the culture and art archive was expanded through the continuation of the Creative ABC Website and grant report database projects, which serve as cross-disciplinary platforms for information exchange between arts and culture communities.

Looking back on the research and development efforts of 2008, there were continued successes in various research and guidance areas through cooperation with governmental departments, academia, community groups, artists, and cultural creative industries, extending NCAF's services to art and culture communities while consolidating the foundation of our cultural think tank.

Research and Development



The National Cultural and Arts Foundation was entrusted by the National Taiwan Craft Research Institute to guide communities in establishing craft centers, product design development, management, internet marketing and lifestyle aesthetics. Photo shows products woven from rushes by Ailin Weaving Workshop at Yuanli Township, Miaoli County. (Photo: Lin Buo-liang)



Taiwan Community Craft, Cultural and Creative Art Show at Paper Dome (Photo: Lin Buo-liang)



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 2008 through the Friends of NCAF, resource integration, international exchange and public service. Various projects in cooperation with The Friends of NCAF were actively promoted in addition to the annual cultural activities hosted for this organization.

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. Furthermore, NCAF was entrusted by the Council for Cultural Affairs to organize the ninth Wen Hsin Award, planning the award categories, submissions, jury meetings, and award ceremony. This programming augmented NCAF's networking resources for cooperation between business and the arts.

Resource Development

For the international exchange section, NCAF implemented and completed the France/Taiwan Art Professional Exchange Program. This year the event was attended by representatives from Taiwan and was organized around the themes of Street Arts Festivals in France. This ten-day research program was led by NCAF Chairman Huang Ming-chuan and the itinerary included Paris, Chalon and Marseille, where the dynamic power of France's street art festivals was experienced. In order to share their rich experiences with arts and culture communities in Taiwan, participating representatives held presentations after their return.

The public service aspect was mainly fulfilled through the publication of the magazine NCAF Quarterly, the annual report and the foundation's website. In addition to news briefs concerning the foundation's grant allocation to arts and culture communities, the magazine published short, direct and in-depth articles introducing talented artists and their creative artwork to the business world and society at large. The foundation website also continued to focus its on-line service on comprehensive information provided through 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 award ceremony of the ninth Wen Hsin Award. The Executive Yuan's Vice Premier Chiu Cheng-hsiung is awarding Paper Windmill Theatre the Jury Special Mention Prize. The founding member of First mile Kid's smile, Dr. Wu Jing-Jyi, and the actress Liang Shu-yi are shown here receiving the award.

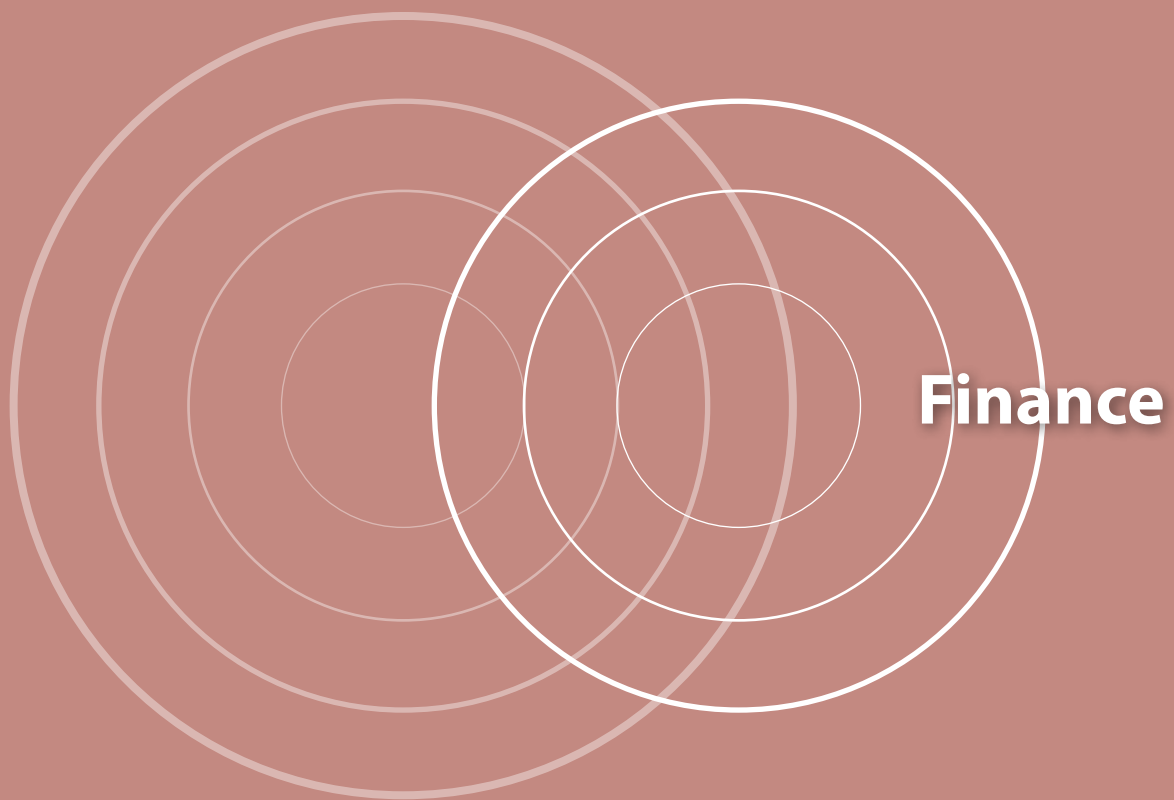
Resource Development



Tea and Music in Dialogue, was a cultural activity for Friends of NCAF at the Taiwan Folk Arts Museum, where guests enjoyed a Japanese tea ceremony and music by A Graceful Chinese Ensemble. The museum is a legacy of the Japanese period in Taiwan.



Covers of *NCAF Quarterly*, from the left: summer 2008, autumn 2008 and winter 2008.



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 2008 the foundation allocated more than 6 billion NTD in investments: 2.4 billion in short term investment made directly by the foundation throughout the fiscal year; 0.4 billion in long-term investment; and 3.2 billion entrusted to professional investment agencies.

This year's continuing financial crisis created a liquidity risk, and the global recession created deep losses and high volatility on stock markets worldwide. The Taiwan stock index had dropped from the 8,506.28 at the end of 2007 to 4,591.22 at the end of 2008, a loss of 46.03 %. The economic situation also impacted NCAF's financial situation, resulting in a loss of 52 million NTD for the year and a deficit of 245 million NTD.

Finance



The Second Pursuit of Excellence Project for the Performing Arts, *Shadow of Andersen's Illusion* by Scarecrow Contemporary Dance Company



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Table 1: 2008 Annual Regular Grants Analysis

Period	Category	Literature	Fine Arts	Music	Dance	Drama	Cultural Heritage	Audiovisual Media	Development of Arts and Cultural Environment	Total
2008-1	Applications Received	66	90	224	57	125	39	–	19	620
	Activity Costs (NT\$)	20,134,659	41,095,270	223,709,371	104,965,428	233,136,113	25,890,302	–	19,055,212	667,986,355
	Funding Applied For (NT\$)	17,208,624	23,686,659	62,212,260	43,927,558	54,827,587	14,186,772	–	7,569,731	223,619,191
	Projects Approved by Board of Directors	24	35	95	37	50	18	–	12	271
	Ratio of Approvals to Applications	36.4%	38.9%	42.4%	64.9%	40.0%	46.2%	–	63.2%	43.7%
	Amount Applied for in Approved Grant Applications (NT\$)	5,189,500	10,836,529	34,406,393	34,269,897	21,307,634	5,762,792	–	2,973,631	114,746,376
	Funding Approved by Board of Directors (NT\$)	3,150,000	4,054,000	10,021,000	11,550,000	10,352,000	3,231,000	–	1,250,000	43,608,000
	Ratio of Approved Funding to Applied for Funding	18.3%	17.1%	16.1%	26.3%	18.9%	22.8%	–	16.5%	19.5%
	Ratio of Approved Funding to Amount Applied for in Approved Grant Applications	60.7%	37.4%	29.1%	33.7%	48.6%	56.1%	–	42.0%	38.0%
2008-2	Applications Received	90	218	233	48	153	43	73	26	884
	Activity Costs (NT\$)	31,753,699	119,260,569	253,196,466	63,679,005	233,963,347	26,698,468	72,633,460	20,750,489	821,935,503
	Funding Applied For (NT\$)	23,762,700	70,964,494	76,146,357	27,393,860	63,743,654	12,785,218	42,217,405	10,339,279	327,352,967
	Projects Approved by Board of Directors	27	60	93	35	69	18	16	9	327
	Ratio of Approvals to Applications	30.0%	27.5%	39.9%	72.9%	45.1%	41.9%	21.9%	34.6%	37.0%
	Amount Applied for in Approved Grant Applications (NT\$)	6,530,600	28,139,636	34,247,478	21,639,855	31,421,710	4,558,968	7,116,500	3,055,279	136,710,026
	Funding Approved by Board of Directors (NT\$)	4,680,000	11,668,000	14,298,000	11,176,560	13,095,000	2,475,000	5,595,000	2,225,000	65,212,560
	Ratio of Approved Funding to Applied for Funding	19.69%	16.44%	18.78%	40.80%	20.54%	19.36%	13.25%	21.52%	19.92%
	Ratio of Approved Funding to Amount Applied for in Approved Grant Applications	71.66%	41.46%	41.75%	51.65%	41.68%	54.29%	78.62%	72.82%	47.70%
Totals	Applications Received	156	308	457	105	278	82	73	45	1504
	Activity Costs (NT\$)	51,888,358	160,355,839	476,905,837	168,644,433	467,099,460	52,588,770	72,633,460	39,805,701	1,489,921,858
	Funding Applied For (NT\$)	40,971,324	94,651,153	138,358,617	71,321,418	118,571,241	26,971,990	42,217,405	17,909,010	550,972,158
	Projects Approved by Board of Directors	51	95	188	72	119	36	16	21	598
	Ratio of Approvals to Applications	32.69%	30.84%	41.14%	68.57%	42.81%	43.90%	21.92%	46.67%	39.76%
	Amount Applied for in Approved Grant Applications (NT\$)	11,720,100	38,976,165	68,653,871	55,909,752	52,729,344	10,321,760	7,116,500	6,028,910	251,456,402
	Funding Approved by Board of Directors (NT\$)	7,830,000	15,722,000	24,319,000	22,726,560	23,447,000	5,706,000	5,595,000	3,475,000	108,820,560
	Ratio of Approved Funding to Applied for Funding	19.1%	16.6%	17.6%	31.9%	19.8%	21.2%	13.3%	19.4%	19.8%
	Ratio of Approved Funding to Amount Applied for in Approved Grant Applications	66.8%	40.3%	35.4%	40.6%	44.5%	55.3%	78.6%	57.6%	43.3%
	Proportion of Total Grant Funding	7.2%	14.4%	22.3%	20.9%	21.5%	5.2%	5.1%	3.2%	100.0%

Table 2: Projects and Funding Analysis

Category	Total Received Applications	Activity Costs (NT\$)	Funding Applied For (NT\$)	Projects Approved by Board of Directors	Ratio of Approvals to Applications	Funding Approved by Board of Directors (NT\$)	Ratio of Approved Projects to Received Applications
July 1996-June 1997 Total	1,603	2,355,634,121	1,119,824,981	622	38.8%	110,677,340	30.0%
July 1997-June 1998 Total	1,698	2,138,430,033	990,364,800	802	47.2%	160,245,934	44.1%
July 1998-June 1999 Total	2,098	2,278,645,051	1,000,310,143	902	43.0%	199,424,060	47.3%
July 1999-Dec 2000 Total	3,038	3,511,392,410	1,633,058,234	1,213	39.9%	299,949,919	42.1%
2001 Total	1,916	2,471,793,932	1,124,973,042	694	36.2%	164,145,705	37.9%
2002 Total	1,165	1,356,354,722	570,440,654	495	42.5%	102,771,210	40.4%
2003 Total	1,300	1,487,031,645	621,864,770	540	41.5%	119,337,920	40.1%
2004 Total	1,233	1,473,639,109	588,856,399	549	44.5%	118,073,505	36.8%
2005 Total	1,393	1,640,789,948	625,939,220	594	42.6%	117,907,400	35.2%
2006 Total	1,332	1,561,539,593	586,237,500	602	45.2%	104,211,629	36.7%
2007 Total	1,427	1,568,584,410	534,429,394	684	47.9%	112,895,766	37.2%
2008 -1	620	667,986,355	223,619,191	271	43.7%	43,608,000	38.0%
2008-2	884	821,935,503	327,352,967	327	37.0%	65,212,560	47.7%
2008 Total	1,504	1,489,921,858	550,972,158	598	39.8%	108,820,560	43.3%

Table 3: First Time Grant Recipients Analysis

Year	Number of First Time Grant Recipients					Total to Date for Groups + Individuals
	Groups	Total to Date for Groups	Individuals	Total to Date for Individuals	Groups + Individuals	
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-Dec 2000	136	572	214	1034	350	1606
2001	57	629	107	1141	164	1770
2002	48	677	84	1225	132	1902

Year	Number of First Time Grant Recipients					Total to Date for Groups + Individuals
	Groups	Total to Date for Groups	Individuals	Total to Date for Individuals	Groups + Individuals	
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	2484
2007	70	986	106	1674	176	2660
2008	52	1038	120	1794	172	2832

Table4: Balance Sheets

ACCOUNT	2008.12.31		2007.12.31	
	Amount	%	Amount	%
Current Assets	\$5,831,792,964	96.23	\$6,166,186,140	95.85
Cash and Cash Equivalents	5,743,339,110	94.77	5,604,888,363	87.12
Marketable Services (net)	72,104,250	1.19	551,544,216	8.57
Notes Receivable	-	0.00	-	0.00
Accounts Receivable	3,283,685	0.06	268,724	0.01
Other Receivables	9,987,467	0.16	6,501,827	0.10
Prepaid Expenses	1,848,572	0.03	1,378,818	0.02
Other Current Assets	1,229,880	0.02	1,604,192	0.03
Funds and Investment	\$218,548,037	3.61	\$257,164,775	4.00
Available- for-sale Financial Assets - Noncurrent	218,548,037	3.61	257,164,775	4.00
Net Value of Fixed Assets	\$7,044,781	0.12	\$7,044,855	0.11
Costs:				
Communication Equipment	869,776	0.02	1,952,130	0.03
Information Equipment	5,489,466	0.09	5,580,476	0.09
Office Equipment	4,648,113	0.08	4,648,113	0.07
Other Equipment	6,654,229	0.11	6,568,036	0.10
Leasehold Improvements	296,371	0.00	-	0.00
Less: Accumulated Depreciation	(10,913,174)	(0.18)	(11,703,900)	-0.18
Intangible Assets	\$779,431	0.01	\$1,066,015	0.01
Intangible Assets	779,431	0.01	1,066,015	0.01
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	\$6,060,094,669	100.00	\$6,433,391,241	100.00
Current Liabilities	\$118,674,782	1.96	\$120,384,668	1.87
Notes Payable	807,345	0.01	575,258	0.01
Grants Payable	104,059,221	1.72	108,839,866	1.69
Accrued Expense	10,239,785	0.17	8,740,458	0.14
Other Payable	659,702	0.01	23,073	0.00
Advance Receipts	2,788,669	0.05	2,145,578	0.03
Other Current Liabilities	120,060	0.00	60,435	0.00
Other Liabilities	-	-	-	-
Accrued Pension Costs	-	-	-	-
Total Liabilities	\$118,674,782	1.96	\$120,384,668	1.87
Funds and Surplus	\$6,009,199,776	99.16	\$6,008,637,778	93.40
Flotation Fund	2,000,000,000	33.00	2,000,000,000	31.09
Donated Funds	3,868,082,551	63.83	3,867,520,553	60.12
Other Funds	141,117,225	2.33	141,117,225	2.19
Surplus	\$30,506,547	0.50	\$275,785,981	4.29
Accumulated Surplus	30,506,547	0.50	275,785,981	4.29
Net Adjustment Items	\$(98,286,436)	(1.62)	\$28,582,814	0.44
Unrealized Surplus on Financial Instruments	(98,286,436)	(1.62)	28,582,814	0.44
Net Worth	\$5,941,419,887	98.04	\$6,313,006,573	98.13
Total Liabilities & Net Worth	\$6,060,094,669	100.00	\$6,433,391,241	100.00

Table5: 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, 2007	\$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
Donated Revenue Transfer to Donated Funds	-	561,998	-	-	-	561,998
Surplus for 2008	-	-	-	(245,279,434)	-	(245,279,434)
Unrealized Surplus on Financial Instruments	-	-	-	-	(126,869,250)	(126,869,250)
Balance as of December 31, 2008	\$2,000,000,000	\$3,868,082,551	\$141,117,225	\$30,506,547	\$(98,286,436)	\$5,941,419,887

Table6: Income and Expenditure Statements

Items	2008 (2008.1.1-2008.12.31)		2007 (2007.1.1-2007.12.31)	
	Amount	%	Amount	%
INCOME				
Donation-related Income	\$9,408,139	6.37	\$7,705,161	2.42
Engagement-related income	14,555,371	9.86	5,838,842	1.84
Financial Income Interest Income	117,909,100	79.86	93,583,692	29.46
Net Investment Income	0	0.00	202,994,102	63.91
Non-operating Income	5,781,000	3.91	7,519,719	2.37
TOTAL INCOME	\$147,653,610	100.00	\$317,641,516	100.00
EXPENDITURE				
Office and General Expenses	\$41,783,458	28.30	\$41,024,078	12.92
Grant-related Expenses	140,692,711	95.29	132,863,106	41.83
Award-related Expenses	9,757,062	6.61	10,311,123	3.25
Donation-related Expenses	2,602,606	1.76	2,109,148	0.66
Service Expenses	825,009	0.56	855,417	0.27
Engagement-related Expenses	14,555,371	9.86	5,838,842	1.84
Financial Expenses - Net Investment Loss	170,019,693	115.15	-	0.00
investment income 147,070,676 gain on valuation of Financial Assets 4,863,707 investment loss 321,954,076				
Other Operating Expenses	12,697,134	8.60	24,558,577	7.73
TOTAL EXPENDITURE	\$392,933,044	266.12	\$217,560,291	68.49
ANNUAL SURPLUS (DEFICIT)	\$(245,279,434)	(166.12)	\$100,081,225	31.51

Table7: Cash Flow Statement

Items	Amount as of This Year (2008.1.1-2008.12.31)		Amount as of Last Year (2007.1.1-2007.12.31)	
	Subtotal	Total	Subtotal	Total
Cash Flow from Operation:				
Current Surplus (Deficit)	\$(245,279,434)		\$100,081,225	
Adjustments to Reconcile Net Income to Net Cash Provided by (used in) Operating Activities				
Depreciation	975,905		564,328	
Amortization	504,664		427,483	
Valuation Gain of Financial Assets - Current	(4,863,707)		(19,751,525)	
Increase (Decrease) in Financial Assets	396,051,161		(584,133,077)	
Increase (Decrease) in Pension Liabilities	-		(1,772,201)	
Increase (Decrease) in Notes and Accounts Receivables	(3,014,961)		10,285,154	
Increase in Other Receivables	(3,485,640)		(520,896)	
Decrease (Increase) in Prepayments	(469,754)		27,683	
Decrease (Increase) in Other Current Assets	374,312		(293,309)	
Decrease in Notes and Accounts Payable	(4,548,558)		(2,606,295)	
Increase (Decrease) in Accrued Expense	1,499,327		(7,856,404)	
Increase (Decrease) in Other Payable	636,629		(452,717)	
Increase in Receipts in Advance	643,091		145,578	
Increase (Decrease) in Other Current Liabilities	59,625		(72,157)	
Net Cash Provided (Used) by Operating Activities		\$139,082,660		\$(505,927,130)
Cash Flow from Investing:				
Cash Paid for Fixed Assets Purchase	\$(975,831)		\$(1,622,050)	
Cash Paid for Intangible Assets Purchase	(218,080)		(497,724)	
Net Cash Used in Investment Activities		(1,193,911)		(2,119,774)
Cash Flow from Financing:				
Donated Revenue Transfer to Donated Funds	\$561,998		\$549,885	
Net Cash Provided by Financing Activities		561,998		549,885
Increase (Decrease) in Cash and Cash Equivalent		\$138,450,747		\$(507,497,019)
Balance of Cash and Cash Equivalents at Beginning of the Period		5,604,888,363		6,112,385,382
Balance of Cash and Cash Equivalents at End of the Period		\$5,743,339,110		\$5,604,888,363

National Culture & Arts Foundation Annual Report 2008

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