

# Annual Report 2005

## GENERAL

The Jane and Aatos Erkko foundation was established in 2002, and 2005 was the foundation's third full year of operation.

## MANAGEMENT

### Board of Trustees

Until the annual meeting that took place on 26 May 2005, the composition of the Board was the following: Chairman Aatos Erkko, vice chairman Jane Erkko, members Nils Ittonen, Marja Leskinen and Jaakko Rauramo. The annual meeting selected the following composition for the Board: Chairman Aatos Erkko, vice chairperson Jane Erkko, members Jaakko Rauramo, Marja Leskinen and Sakari Alhopuro. The Board assembled three times during the operating year.

### Financial Committee

The foundation's Board of Trustees selected a financial committee at its annual meeting on 26 May 2005. The composition of the financial committee is as follows: Chairperson Nils Ittonen, members Heli Rahka and Karl Tujulin, who also acts as the committee's secretary. The financial committee assembled twice during the operating year.

Heli Rahka has acted as counsel for the foundation.

## INVESTMENT AND FINANCING ACTIVITIES

The initial capital of the foundation is EUR 1,000,000. During the operating year the foundation gained EUR 662,230.73 in interest profits from its investments. Most of the profit was generated by fund profits that totalled EUR 676,256.20. Maintenance costs totalled EUR 1,489.36. The deficit for the financial year totalled EUR 180,217.97.

At year-end, the market value of the foundation's assets totalled EUR 18.9 million. Share investments accounted for 86% of the assets and interest-bearing investments 14%. In terms of market value, the investments generated a profit of 17.5% in 2005.

## ACTUAL ACTIVITIES

The foundation significantly expanded its activities during the operating year, which is proven by the quadrupled amount of granted donations and scholarships. The planning of the foundation's practices was continued and developed during the year.

During the operating year the foundation granted a total of EUR 840,959.34 in donations and scholarships as follows:

Christine och Göran Schildts stiftelse, EUR 20,000 for arranging the Athos – Holy Mountain exhibition and making the Göran Schildt text and picture archive on Mediterranean voyages available via the Internet.

The Disabled War Veterans' Association of Finland, the Eljas Erkko Fund, EUR 10,000 for securing home care for disabled war veterans by means of visiting assistants.

World Childhood Foundation, USD 200,000 for improving the circumstances of underprivileged children around the world.

University of Tampere, EUR 500,000 for the establishment of North American Studies and the so-called Erkko professorship.

EUR 75,000 for the reconstruction of S/S Turso, a war indemnity ship that has now been returned to Finland from Russian.

Tero Saarinen Company, EUR 25,000 for supporting the dance group's U.S. tour.

Dancer Minna Tervämäki, EUR 8,000 for her show/dance gala night.

Kaarina Winter, M.A. (Education), EUR 20,000 for her doctoral studies.

Tanja Hautala, M.A. (Education), EUR 20,000 for her doctoral studies.

In addition, the foundation made a decision in favour of the planned institute of molecular medicine. If the institute is established, the foundation will support it for five years with EUR 500,000 per year, a total of EUR 2,500,000. The donation will become current and be entered in the foundation's financial statement once the formal decision regarding the establishment of the institute has been made.

#### AUDIT

The foundation's auditors were Johanna Perälä, MBA and APA, and the ABA organisation PricewaterhouseCoopers Oy. Deputy auditors were Juha Tuomala, MBA and APA, and Lotta Mäkelä, MBA, APA.