

**EUROPEAN LIBERAL FORUM ASBL  
SQUARE DE MEEUS 38/40  
B-1000 BRUSSELS  
BELGIUM  
INCOME AND EXPENDITURE STATEMENT  
PER DECEMBER 31st 2009**

**ASSETS****31/12/2009****FIXED ASSETS****14.366,61**

<i>I. Formation expenses</i>	<i>0,00</i>
<i>II. Intangible fixed assets</i>	<i>0,00</i>
<i>III. Tangible fixed assets</i>	<i>5.586,60</i>
A. Land and buildings	0,00
B. Plant, machinery and equipment	5.586,60
C. Furniture and vehicles	0,00
<i>IV. Financial fixed assets: cash guarantees</i>	<i>8.780,01</i>

**CURRENT ASSETS****85.977,63**

<i>V. Amounts receivable after more than one year</i>	
<i>VI. Stocks and contracts in progress</i>	
<i>VII. Amounts receivable within one year</i>	<i>70.253,62</i>
A. Receivables from member organisations	41.559,86
B. Other amounts receivable	28.693,76
<i>VIII. Current investments</i>	<i>0,00</i>
<i>IX. Cash at bank and in hand</i>	<i>15.651,32</i>
<i>X. Deferrals and accruals</i>	<i>72,69</i>
<b>TOTAL ASSETS</b>	<b>100.344,24</b>

**EQUITY AND LIABILITIES****31/12/2009**

<b>EQUITY</b>	<b>0,00</b>
<b>I. Capital</b>	<b>0,00</b>
A. Social fund	0,00
<b>II. Share premium account</b>	<b>0,00</b>
<b>III. Revaluation surpluses</b>	<b>0,00</b>
<b>IV. Reserves</b>	<b>0,00</b>
C. Untaxed reserves	0,00
<b>V. Accumulated profits (losses)(+)/(-)</b>	<b>0,00</b>
<b>VI. Investment grants</b>	<b>0,00</b>
<i>Advance to associates on the sharing out of the assets</i>	<b>0,00</b>
<b>VII. Provisions and deferred taxes</b>	<b>0,00</b>
<b>AMOUNTS PAYABLE</b>	<b>100.344,24</b>
<b>VIII. Amounts payable after more than one year</b>	<b>0,00</b>
A. Financial debts	0,00
1. Credit institutions, leasing and other similar obligations	
<b>IX. Amounts payable within one year</b>	<b>100.337,16</b>
A. Surplus grant to be refunded due within one year	0,00
C. Trade debts	86.562,84
1. Suppliers	86.562,84
E. Taxes, remuneration and social security	13.774,32
2. Remuneration and social security	13.774,32
F. Other amounts payable	0,00
<b>X. Deferred charges and accrued income</b>	<b>7,08</b>
<b>TOTAL LIABILITIES</b>	<b>100.344,24</b>



**INCOME AND EXPENDITURE STATEMENT****31/12/2009****I. Operating income & charges**

<b>1. Operating income</b>	<b>741.540,60</b>
A. Grant European Parliament	608.853,76
Own Resources	132.686,84
D. Other operating income	0,00
<b>2. Operating charges</b>	<b>741.983,64</b>
B. Services and other goods	623.436,83
C. Remuneration, social security and pensions(+)/(-)	117.571,42
D. Depreciation of and other amounts written down formation expenses, intangible and tangible fixed assets	975,39
G. Other operating charges	0,00
<b>3. Operating profit (loss)(+)/(-)</b>	<b>-443,04</b>

**II. Financial income & charges**

<b>4. Financial income</b>	<b>501,83</b>
A. Income from financial fixed assets	0,00
C. Other financial income	501,83
<b>5. Financial charges</b>	<b>135,66</b>
A. Debt charges	0,00
C. Other financial charges	135,66
<b>6. Gain (loss) on ordinary activities before taxes(+)/(-)</b>	<b>-76,87</b>



**III. Extraordinary income & charges****31/12/2009**

<b>7. Extraordinary income</b>	<b>76,87</b>
E. Other extraordinary income	76,87
<b>8. Extraordinary charges</b>	<b>0,00</b>
A. Extraordinary depreciation of and extraordinary amounts written down formation expenses, i	0
D. Losses on disposal of fixed assets	0,00
E. Other extraordinary charges	0
<b>9. Gain (loss) before taxes(+)/(-)</b>	<b>0,00</b>
IIIbis A. Transfer from deferred taxes	<b>0,00</b>
B. Transfer to deferred taxes	
IV. Income taxes	<b>0,00</b>
<b>10. Income taxes(+)/(-)</b>	<b>0,00</b>
<b>11. Gain (loss) of the period(+)/(-)</b>	<b>0,00</b>

EXPENDITURE			REVENUE		
Eligible expenditure	Budget	Actual		Budget	Actual
<b>A. 1: Personnel costs</b>	<b>150.000,00</b>	<b>125.462,64</b>			
1 Salaries	143.000,00	115.951,42			
2 Contributions	0,00	0,00			
3 Professional Training	1.000,00	1.620,00			
4 Staff Mission Expenses	6.000,00	7.091,22			
5 Other personnel costs	0,00	800,00			
<b>A. 2: Infrastructure and operating costs</b>	<b>88.250,00</b>	<b>46.081,29</b>			
1 Rent, charges and maintenance costs	40.000,00	18.042,05			
2 Costs relating to installation, operating and maint.	15.000,00	1.356,74			
3 Depreciation of movable and immovable property	1.500,00	975,39			
4 Stationery and office supplies	7.000,00	5.563,66			
5 Postal and telecommunications charges	2.000,00	6.935,85			
6 Printing, translation and reproduction costs	20.000,00	13.207,60			
7 Other infrastructure costs	2.750,00	0,00			
<b>A. 3: Administrative expenditure</b>	<b>11.000,00</b>	<b>12.162,60</b>			
1 Documentation costs	500,00	0,00			
2 Costs of studies and research	500,00	0,00			
3 Legal Costs	500,00	599,80			
4 Accounting and audit costs	6.500,00	7.671,40			
5 Support to affiliated organisations and subsidies to third parties	2.000,00	0,00			
6 Miscellaneous administrative costs	1.000,00	3.891,40			
<b>A. 4: Meetings and representation costs</b>	<b>43.000,00</b>	<b>38.979,34</b>			
1 Costs of meetings of political foundation	30.000,00	31.315,97			
2 Participation in seminars and conferences	5.000,00	0,00			
3 Representation costs	5.000,00	5.154,83			
4 Cost of invitations	1.500,00	1.907,05			
5 Other meeting-related costs	1.500,00	551,49			
<b>A. 5: Information and publications</b>	<b>560.977,00</b>	<b>519.347,77</b>			
1 Publication costs	121.527,00	216.600,17			
2 Creation and operation of Internet sites	4.000,00	210,81			
3 Publicity costs	5.000,00	2.699,29			
4 Communications equipment (gadgets)	1.000,00	0,00			
5 Seminars	427.700,00	298.202,01			
6 Election campaigns	0,00	0,00			
7 Other information related costs	1.700,00	1.635,49			
<b>A. 6: Expenditure relating to contributions</b>	<b>0,00</b>	<b>0,00</b>			
<b>A. 7: Allocation to "Provision to cover eligible expenditure to be incurred in the first quarter of N+1"</b>	<b>0,00</b>	<b>0,00</b>			
<b>A. TOTAL ELIGIBLE EXPENDITURE</b>	<b>853.177,00</b>	<b>741.983,64</b>			
<b>B. 1: Non-eligible expenditure</b>					
1 Provisions	0,00	0,00			
2 Financial charges	1.000,00	135,66			
3 Exchange losses	1.000,00	0,00			
4 Doubtful debts	4.480,00	0,00			
5 Other	0,00	0,00			
<b>B. TOTAL NON-ELIGIBLE EXPENDITURE</b>	<b>6.480,00</b>	<b>135,66</b>			
<b>C. TOTAL EXPENDITURE</b>	<b>859.657,00</b>	<b>742.119,30</b>			
<b>D. 1: Dissolution of "Provision to cover eligible costs to be incurred in the first quarter of N"</b>					
<b>D. 2: European Parliament grant</b>	<b>725.200,45</b>	<b>608.853,76</b>			
<b>D. 3: Membership fees</b>	<b>14.270,00</b>	<b>17.495,00</b>			
3.1. from member foundations	14.270,00	17.495,00			
3.2. from individual members	0,00	0,00			
<b>D. 4: Donations</b>	<b>0,00</b>	<b>0,00</b>			
4.1. above 500 EUR	0,00	0,00			
4.2. below 500 EUR	0,00	0,00			
<b>D. 5: Other own resources (to cover eligible expenditure)</b>	<b>113.706,55</b>	<b>115.268,71</b>			
Extraordinary contribution member organisation	60.000,00	60.000,00			
Members own resources	50.106,55	49.146,84			
Participation fees	3.600,00	6.045,00			
Grant EC 2008 extraordinary income	0,00	76,87			
<b>D. 6: Contributions in kind</b>	<b>0,00</b>	<b>0,00</b>			
<b>D. REVENUE (to cover eligible expenditure)</b>	<b>853.177,00</b>	<b>741.617,47</b>			
<b>E. 1 Additional other own resources (to cover non-eligible expenditure)</b>	<b>6.480,00</b>	<b>501,83</b>			
Members own resources	6.480,00	0,00			
Donations	0,00	0,00			
Financial income	0,00	501,83			
<b>E. REVENUE (to cover non-eligible expenditure)</b>	<b>6.480,00</b>	<b>501,83</b>			
<b>F. TOTAL REVENUE</b>	<b>859.657,00</b>	<b>742.119,30</b>			
<b>G. Profit / Loss (F-C)</b>		<b>0,00</b>			



**AUDITOR'S REPORT TO THE EUROPEAN PARLIAMENT  
ON THE ASSOCIATION OF EUROPEAN LIBERAL FORUM  
(ELF) ASBL - 0892.305.374  
SQUARE DE MEEUS 38/40  
BE-1000 BRUSSELS  
ON THE BALANCE SHEET AND INCOME AND EXPENDITURE STATEMENT  
FOR THE PERIOD ENDED DECEMBER 31st 2009**

In accordance with the legal and statutory requirements, we report to you on the performance of the audit, which has been entrusted to us. This report contains our opinion on the true and fair view of the balance sheet and income and expenditure statement as well as the required additional statements and information.

**Unqualified audit opinion on balance sheet and income and expenditure statement**

We have audited the balance sheet and income and expenditure statement for the period started January 1<sup>st</sup> 2009 and ended December 31<sup>st</sup> 2009, prepared in accordance with the financial reporting framework applicable in Belgium, which show a total assets of € 100.344,24 and a result for the period of € 0,00.

Management is responsible for the preparation and the fair presentation of the balance sheet and income and expenditure statement. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of balance sheet and income and expenditure statement that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Our responsibility is to express an opinion on the balance sheet and income and expenditure statement based on our audit. We conducted our audit in accordance with the legal requirements and the Auditing Standards applicable in Belgium, as issued by the Institute of Registered Auditors (*Institut des Réviseurs d'Entreprises / Instituut der Bedrijfsrevisoren*). Those standards require that we plan and perform the audit to obtain reasonable assurance whether the balance sheet and income and expenditure statement are free from material misstatement, whether due to fraud or error.

In accordance with the above-mentioned auditing standards, we considered the association's accounting system, as well as its internal control procedures. We have obtained from management and from the association's officials the explanations and information necessary for executing our audit procedures. We have examined, on a test basis, the evidence supporting the amounts included in the balance sheet and income and expenditure statement. We have assessed the appropriateness of accounting policies and the reasonableness of the significant accounting estimates made by the association as well as the overall balance sheet and income and expenditure statement presentation. We believe that these procedures provide a reasonable basis for our opinion.

In our opinion, the balance sheet and income and expenditure statement for the period ended December 31<sup>st</sup> 2009 give a true and fair view of the association's assets and liabilities, its financial position and the results of its operations in accordance with the financial reporting framework applicable in Belgium.

### **Additional statements and information**

The compliance by the association with the legislation related to not-for-profit associations, international not-for-profit associations and foundations is the responsibility of management.

Our responsibility is to supplement our report with the following additional statements and information, which do not modify our audit opinion on the balance sheet and income and expenditure statement:

- Without prejudice to formal aspects of minor importance, the accounting records were maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- There are no transactions undertaken or decisions taken in violation of the association's statutes or the legislation related to not-for-profit associations, international not-for-profit associations and foundations that we have to report to you.
- The financial documents submitted by the European Liberal Forum to the Parliament are consistent with the financial provisions of the grant agreement. The expenditure declared was actually incurred and the statement of revenue is exhaustive.
- The obligations arising out of Articles 6,7,8 and 10 (2) of Regulation (EC) No 2004/2003 have been met.
- The balance sheet and income and expenditure statement as of and for the period, ended 31/12/2009, show a total assets of EUR 100.344,24 and a result for the eligible period of EUR 0,00. The result is realised by EUR 742.119,30 of revenues, including EUR 501,83 financial income and EUR 742.119,30 of costs, including 135,66 EUR non-eligible costs.
- The funding of the European Parliament does not exceed the budget of the European Liberal Forum on European level for the eligible period. The eligible expenses amount to EUR 741.983,64. The European Liberal Forum received, until now, a prepayment for an amount of EUR 580.160,00 from the European Parliament. The upper limit of 85% of the eligible expenses for the eligible period financed by the grant is set at a maximum of EUR 725.200,00 (considering the adopted budget of 853.177,00 EUR), meaning a maximum of 145.040,00 to be received. However, considering the own financing of EUR 132.763,71 is higher than the minimum required percentage of 15% and the fact that the Forum can not make a profit according to the regulations, only EUR 28.693,76 is still to be received from the European Parliament. This amount is the difference of the total revenue of EUR 713.425,54 and the total expenditure of EUR 742.119,30.



**ELF ASBL - 0892.305.374**

- We have noticed the following differences on the level of the budget lines:

Budget lines	Personnel	Infrastructure	Administration	Meeting	Information	Total
Budget	150.000,00	88.250,00	11.000,00	43.000,00	560.927,00	853.177,00
Realisations	125.462,64	46.081,29	12.162,60	38.929,34	519.347,77	741.983,64
Differences	24.537,36	42.168,71	-1.162,60	4.070,66	41.579,23	109.193,36

Kortrijk, March 11th 2010

Vandelanotte Réviseurs d'Entreprises SCRL  
Represented by Nikolas Vandelanotte  
Certified Auditor

