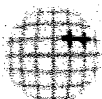


Vandelanotte
More than accountants



European Liberal Forum

Non-profit institution

Year end close
per 31.12.2011

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1 Financial Statement

European Liberal Forum
Year end close per 31.12.2011

31/12/2011 31/12/2010

ASSETS

<i>FIXED ASSETS</i>	<u>10.983,01</u>	<u>12.674,81</u>
III. Tangible fixed assets	2.203,00	3.894,80
B. Plant, machinery and equipment	2.203,00	3.894,80
IV. Financial fixed assets	8.780,01	8.780,01
<i>CURRENT ASSETS</i>	<u>99.251,49</u>	<u>70.514,41</u>
VII. Amounts receivable within one year	80.593,00	27.490,39
A. Trade debtors	27.336,49	21.427,16
B. Other amounts receivable	53.256,51	6.063,23
IX. Cash at bank and in hand	912,32	27.198,73
X. Deferrals and accruals	17.746,17	15.825,29
TOTAL ASSETS	<u>110.234,50</u>	<u>83.189,22</u>

31/12/2011 31/12/2010

EQUITY AND LIABILITIES

AMOUNTS PAYABLE	110.234,50	83.189,22
IX. Amounts payable within one year	110.223,16	83.189,22
B. Financial debts	13.916,30	
1. Credit institutions	13.916,30	
C. Trade debts	64.296,09	46.272,71
1. Suppliers	64.296,09	46.272,71
E. Taxes, remuneration and social security	32.010,77	36.827,45
1. Taxes	9.600,03	11.227,45
2. Remuneration and social security	22.410,74	25.600,00
F. Other amounts payable		89,06
X. Deferred charges and accrued income	11,34	
TOTAL LIABILITIES	<u>110.234,50</u>	<u>83.189,22</u>

1/01/2011 1/01/2010
31/12/2011 31/12/2010

INCOME STATEMENT

I. Turnover & cost of goods

1. Operating income	950.060,47	774.302,04
A. Turnover	950.060,47	774.302,04
2. Operating charges	948.919,20	774.470,85
B. Services and other goods	755.459,18	619.808,15
C. Remuneration, social security and pensions(+)/(-)	191.768,22	152.970,90
D. Depreciation of and other amounts written down formation expenses, intangible and tangible fixed assets	1.691,80	1.691,80
3. Operating profit (loss)(+)/(-)	1.141,27	(168,81)

II. Financial income & charges

4. Financial income	351,45	352,70
A. Income from financial fixed assets	351,40	352,70
C. Other financial income	0,05	
5. Financial charges	1.234,40	924,56
A. Debt charges	568,52	773,96
C. Other financial charges	665,88	150,60
6. Gain (loss) on ordinary activities before taxes(+)/(-)	258,32	(740,67)

III. Extraordinary income & charges

7. Extraordinary income	508,94	889,31
E. Other extraordinary income	508,94	889,31
8. Extraordinary charges	767,26	148,64
E. Other extraordinary charges	767,26	148,64

IIIbis. A. Transfer from deferred taxes

B. Transfer to deferred taxes

IV. Income taxes

V. Transfer from/to untaxed reserves

1/01/2011	1/01/2010
31/12/2011	31/12/2010

APPROPRIATION ACCOUNT

2 Internal annual account

European Liberal Forum ASBL

Period 2011

Eligible expenditure	Budget	Actual
1 Salaries	174.673,04	174.454,01
2 Contributions	0,00	0,00
3 Professional Training	2.000,00	0,00
4 Staff Mission expenses	12.500,00	15.487,43
5 Other personnel costs	11.490,00	13.256,11
6 Rent, charges and maintenance costs	53.120,00	65.891,76
7 Costs relating to installation, operating and maint.	2.000,00	363,00
8 Depreciation of movable and immovable property	1.500,00	1.691,80
9 Stationery and office supplies	7.000,00	5.799,84
10 Postal and telecommunications charges	5.000,00	4.236,25
11 Printing, translation and reproduction costs	2.000,00	4.766,45
12 Other infrastructure costs	555,00	548,25
13 Administrative expenses	2.000,00	0,00
14 Costs of studies and research	20.781,57	15.489,51
15 Legal Costs	7.000,00	7.054,20
16 Accounting and audit costs	10.000,00	11.702,43
17 Support to affiliated organisations and subsidies to third parties	500,00	0,00
18 Miscellaneous administrative costs	1.715,08	322,56
19 Costs of meetings of political foundation	54.830,00	57.234,53
20 Participation in seminars and conferences	1.000,00	201,44
21 Representation costs	17.400,00	10.726,20
22 Cost of invitations	1.000,00	1.917,06
23 Other meeting-related costs	1.500,00	189,02
24 Publication costs	42.500,00	40.798,45
25 Creation and operation of Internet sites	1.000,00	0,00
26 Publicity costs	5.000,00	19.395,09
27 Communications equipment (gadgets)	2.000,00	2.283,64
28 Seminars	669.135,18	495.110,17
29 Election campaigns	0,00	0,00
30 Other information related costs	0,00	0,00
31 Expenditure relating to campaigns	0,00	0,00
32 Expenses for property to which eligible expenditure is imputed but which is not eligible	0,00	0,00
33 TOTAL ELIGIBLE EXPENDITURE	1.109.199,88	948.919,23
34 Non-eligible expenditure	0,00	0,00
35 Allocations to other provisions	0,00	0,00
36 Financial charges	1.000,00	1.233,16
37 Exchange losses	1.000,00	1,24
38 Doubtful claims on third parties	4.500,00	0,00
39 Other	0,00	767,26
40 TOTAL NON-ELIGIBLE EXPENDITURE	6.500,00	2.001,66
41 TOTAL EXPENDITURE	1.115.700,00	950.920,89

Revenue	Budget	Actual
42 Contributions from member foundations	22.000,00	20.500,00
43 Contributions from individual members	0,00	0,00
44 Contributions from other sources	0,00	0,00
45 Contributions from above 500 EUR	0,00	6.000,00
46 Contributions from below 500 EUR	0,00	0,00
47 Other resources	60.000,00	60.000,00
48 Extraordinary contribution member organisation	70.245,28	47.066,12
49 Members own resources	8.134,70	9.846,43
50 Participation fees	6.000,00	1.223,94
51 Registration fees - participants		
52 TOTAL REVENUE	166.280,00	175.576,49
53 Contributions by staff	0,00	0,00
54 TOTAL REVENUE (including staff contributions)	166.280,00	175.576,49
55 Additions to provisions	6.500,00	2.001,66
56 Financial income	0,00	351,45
57 Extra-ordinary income	0,00	508,94
58 TOTAL FINANCIAL INCOME	6.500,00	861,05
59 TOTAL RESOURCES	1.122.200,00	951.781,94

Analytical structure

7.

Donors list

Declaration

German Marshall Fund of the United States
1744 R Street, NW Washington, DC 20009
United States of America

€ 6.000,-



**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 2011**

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 1st 2011 and ended December 31st 2011, prepared in accordance with the financial reporting framework applicable in Belgium, which show a total assets of € 110.234,50 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 31st 2011 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 31/12/2011, show a total assets of € 110.234,50 and a result for the eligible period of € 0,00. The result is realised by € 950.920,86 of revenues, including € 351,45 financial income and € 950.920,86 of costs, including € 2.001,66 non-eligible expenditure.
- 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 € 948.919,20. The European Liberal Forum received, until now, a prepayment for an amount of € 754.255,20 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 € 942.819,00 (considering the adopted budget of € 1.109.199,87), meaning a maximum of € 188.563,80 to be received. However, considering the own financing of € 144.636,49 is higher than the minimum required percentage of 15% of the total eligible expenditure (€ 142.337,88 required) and the fact that the Forum can not make a profit according to the regulations, only € 50.027,51 is still to be received from the European Parliament. This amount is the difference of the total revenue of € 900.893,35 and the total expenditure of € 950.920,86.

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

Budget lines	Personnel	Infrastructure	Administration	Meeting	Information	Total
Budget	200.663,04	71.175,00	41.996,65	75.730,00	719.635,18	1.109.199,87
Realisations	203.197,55	83.297,35	34.568,70	70.268,25	557.587,35	948.919,20
Differences	2.534,51	12.122,35	-7.427,95	-5.461,75	-162.047,83	-160.280,67
Diff. (%)	1,26%	17,03%	-17,69%	-7,21%	-22,52%	-14,45%

Kortrijk, March 23rd 2012

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



**ANNEX TO OUR AUDITOR'S REPORT
DATED MARCH 23RD 2012
AS SUBMITTED TO
TO THE EUROPEAN PARLIAMENT
ON THE ASSOCIATION OF EUROPEAN LIBERAL FORUM
(ELF) ASBL - 0892.305.374
SQUARE DE MEEUS 38/40
BE-1000 BRUSSELS**

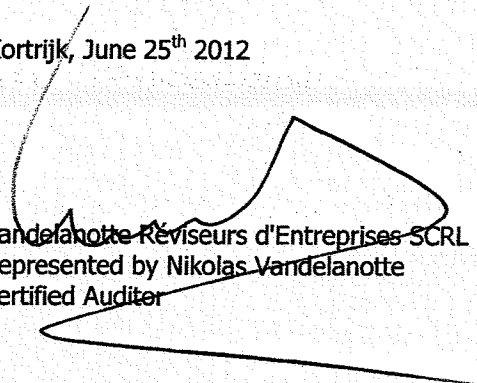
Following your subsequent request for additional information we confirm that we have audited the balance sheet and income and expenditure statement for the period started January 1st 2011 and ended December 31st 2011, prepared in accordance with the financial reporting framework applicable in Belgium, which show a total assets of € 110.234,50 and a result for the period of € 0,00.

In addition to the submitted auditor's report in which we expressed an unqualified opinion on balance sheet and income and expenditure statement, we confirm that your additional requirements and obligations have been addressed during the audit:

Therefore we complement our statement with following additional statements:

- The obligations from the Bureau decision of 24.3.2004 have been met.
- The obligations arising out of Articles 9 (2) of Regulation (EC) No 2004/2003 have been met.
- The obligations arising out of Article II.12 – Eligible expenditure, of the grant agreement have been met and that the reconciliation of the eligible expenditure with the financial statements has been checked and approved.
- The obligations arising from Article II.7 – Award of contracts, of the grant agreement have been met.

Kortrijk, June 25th 2012


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

