

## Independent auditor's report with respect to the Annual Accounts of the Institut des Démocrates Européens ASBL for the year ended 31 December 2019

In accordance with our service contract dated 18 November 2016 with the European Union represented by the European Parliament, we report to you as independent auditor on the performance of our audit mandate which was entrusted to EY Réviseurs d'Entreprises SRL. This report includes our opinion on the balance sheet as at 31 December 2019, the income statement for the year ended 31 December 2019 and the disclosures (all elements together the "Annual Accounts") using the abbreviated schedule and on the Final Statement of eligible expenditure actually incurred as well as on compliance with rules and regulations applicable to funding of European political parties and European political foundations and includes as well our report on regulatory requirements. These two reports are considered as one report and are inseparable.

We have been appointed as independent auditor by the European Parliament in our contract dated 18 November 2016. Our mandate expires after the delivery of our audit opinion for the year ended 31 December 2019.

### Report on the audit of the Annual Accounts and the Final Statement of eligible expenditure actually incurred

#### Unqualified opinion

We have audited the Annual Accounts of Institut des Démocrates Européens ASBL (the "Entity"), that consist of the balance sheet on 31 December 2019, as well as the income statement of the year and the disclosures, which show a balance sheet total of € 269.309,26 and of which the income statement shows a result for the year of € 0.

In our opinion, the Annual Accounts give a true and fair view of the Entity's net equity and financial position as at 31 December 2019, and of its results for the year then ended, prepared in accordance with the financial reporting framework applicable in Belgium, using the abbreviated schedule.

We have also audited the Final Statement of eligible expenditure actually incurred for the year ended 31 December 2019 in accordance with the rules and regulations applicable to funding of European political parties and European political foundations of Institut des Démocrates Européens.

In our opinion, the Final Statement of eligible expenditure actually incurred of the Entity for the year ended 31 December 2019 is prepared, in all material respects, in accordance with rules and

regulations applicable to funding of European political parties and European political foundations.

#### Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing ("ISA"). Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the Annual Accounts and the Final Statement of eligible expenditure actually incurred" section of our report.

We have complied with all ethical requirements that are relevant to our audit, including those with respect of independence.

We have obtained from the Members of the Board and the officials of the Entity the explanations and information necessary for the performance of our audit and we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter – Basis of Accounting and Restriction on Distribution

We draw attention to the Final Statement of eligible expenditure actually incurred. This schedule is prepared to assist the Entity to meet the requirements of the European Parliament. As

a result, the schedule may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

#### Other Matters

We draw your attention to the developments surrounding the Covid-19 virus that has a profound impact on people's health and on society as a whole. This also has an impact on the operational and financial performance of organisations and the assessment of the Entity's ability to continue as a Going Concern. The situation gives rise to inherent uncertainty. The Entity has not made any disclosure of its assessment of the impact of Covid-19 in the Annual Accounts. We have considered the uncertainties related to the potential effects of Covid-19 and the assumptions made by the Entity in this respect on its operations and financial situation. Our opinion is not modified in respect of this matter.

On 31 January 2020, the United Kingdom withdrew from the European Union and the European Atomic Energy Community (EURATOM). At present, negotiations for a new partnership with the United Kingdom of Great Britain and Northern Ireland are ongoing. The Entity has not made any disclosure of its assessment of the impact of Brexit in the Annual Accounts. We have considered the uncertainties related to the potential effects of Brexit and the assumptions made by the Entity in this respect on its operations and financial situation. Our opinion is not modified in respect of this matter.

#### Responsibilities of the Members of the Board for the preparation of the Annual Accounts and the Final Statement of eligible expenditure actually incurred

The Members of the Board are responsible for the preparation of the Annual Accounts that give a true and fair view in accordance with the reporting framework applicable in Belgium and the Final Statement of eligible expenditure actually incurred. This responsibility includes: designing, implementing and maintaining internal control which the Members of the Board determines to be necessary to enable the preparation of the Annual Accounts and the Final Statement of eligible expenditure actually incurred that are free from material misstatement, whether due to fraud or error.

The Members of the Board are responsible towards the European Parliament for the use of the grant awarded and must comply with the provisions of the Regulation (EU, Euratom) No 1141/2014, Regulation (EU, Euratom) 2018/1046 ('the Financial Regulation') and the underlying acts.

As part of the preparation of the Annual Accounts, the Members of the Board are responsible for assessing the Entity's ability to continue as a going concern, and provide, if applicable, information on matters impacting going concern. The Members of the Board should prepare the Annual Accounts using the going concern basis of accounting, unless the Members of the Board either intend to liquidate the Entity or to cease business operations, or has no realistic alternative but to do so.

#### Our responsibilities for the audit of the Annual Accounts and the Final Statement of eligible expenditure actually incurred

Our objectives are to obtain reasonable assurance whether the Annual Accounts and the Final Statement of eligible expenditure actually incurred are free from material misstatement, whether due to fraud or error, and to express an opinion on these Annual Accounts and Final Statement of eligible expenditure actually incurred based on our audit. Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with the ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Annual Accounts and the Final Statement of eligible expenditure actually incurred.

Furthermore, with respect to the Final Statement of eligible expenditure actually incurred, it is our responsibility to express an opinion on the compliance with the rules and regulations applicable to funding of European political parties and European political foundations.

As part of an audit, in accordance with ISA, we exercise professional judgment and we maintain professional scepticism throughout the audit. We also perform the following tasks:

- Identification and assessment of the risks of material misstatement of the Annual

Accounts and the Final Statement of eligible expenditure actually incurred, whether due to fraud or error, the planning and execution of audit procedures to respond to these risks and obtain audit evidence which is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatements is larger when these misstatements are due to fraud, since fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtaining insight in the system of internal controls that are relevant for the audit and with the objective to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- Evaluating the selected and applied accounting policies, and evaluating the reasonability of the accounting estimates and related disclosures made by the Members of the Board as well as the underlying information given by the Members of the Board;
- Conclude on the appropriateness of the Members of the Board's use of the going-

concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to event or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Annual Accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going-concern;

- Evaluating the overall presentation, structure and content of the Annual Accounts and the Final Statement of eligible expenditure actually incurred, and evaluating whether these Annual Accounts and the Final Statement of eligible expenditure actually incurred reflect a true and fair view of the underlying transactions and events.

We communicate with the Members of the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Report on regulatory requirements

### Responsibilities of the Members of the Board

The Members of the Board are responsible for the compliance by the Entity with the legal and regulatory requirements applicable in Belgium, its articles of association, the legal and regulatory requirements regarding bookkeeping and the provisions of the European Parliament's grant decision ('the Funding Decision'), Regulation (EU, Euratom) No 1141/2014, Regulation (EU, Euratom) 2018/1046 ('the Financial Regulation') and the underlying acts.

### Responsibilities of the auditor

Our audit work included specific procedures to gather sufficient and appropriate audit evidence to verify, in all material respects, that the financial provisions and obligations of the grant award decision, Regulation (EU, Euratom) No 1141/2014, Regulation (EU, Euratom)

2018/1046 ('the Financial Regulation') and the underlying acts have been met.

### Independence matters

We have not performed any other services that are not compatible with the audit of the Annual Accounts and the Final Statement of eligible expenditure actually incurred and we have remained independent of the Entity during the course of our mandate.

### Other communications

- Without prejudice to certain formal aspects of minor importance, the accounting records were maintained in accordance with the legal and regulatory requirements applicable in Belgium;
- The costs declared were actually incurred;
- The statement of revenue is exhaustive;
- The financial documents submitted by the entity to Parliament are consistent with the financial provisions of the Funding Decision;

- The obligations arising from Regulation (EU, Euratom) No 1141/2014, in particular from Article 20 thereof have been met;
- The obligations arising from the Funding Decision, in particular from Article II.9 and Article II.19 thereof, have been met;
- Any contributions in kind have actually been provided to the entity and have been valued in compliance with the applicable rules;
- Any surplus of Union funding is carried over to the next financial year and has been used in the first quarter of that financial year, pursuant to Article 222(7) of the Financial Regulation;
- Any surplus of own resources was transferred to the reserve;
- We were not yet provided with the financial statements prepared in accordance with the international accounting standards defined in article 2 of regulation (EC) No 1606/2002. The financial statements prepared in accordance to the international accounting standards will be subject to a separate audit opinion.

21 May 2020

EY Réviseurs d'Entreprises SRL  
represented by



Danielle Vermaelen\*  
Partner

\* Acting on behalf of a BV/SRL

20DV0713



## Annual Accounts

<b>201</b>				<b>1</b>	<b>EUR</b>	
NAT.	Date du dépôt	N° 0892.377.234	P.	U.	D.	A-asbl 1.1

**COMPTES ANNUELS EN EUROS (2 décimales)**

DENOMINATION: **Institut des Démocrates Européens**

Forme juridique: **ASBL**

Adresse: **Rue de l'Industrie**

N°: **4**

Code postal: **1000**

Commune: **Bruxelles 1**

Pays: **Belgique**

Registre des personnes morales (RPM) - Tribunal de l'entreprise de **Bruxelles, francophone**

Adresse Internet \*:

Numéro d'entreprise

**0892.377.234**

DATE **26/01/2018**

du dépôt de l'acte constitutif OU du document le plus récent mentionnant la date de publication des actes constitutif et modificatif(s) des statuts.

COMPTES ANNUELS approuvés par l'assemblée générale\*\* du

**28/05/2020**

et relatifs à l'exercice couvrant la période du

**1/01/2019**

au

**31/12/2019**

Exercice précédent du

**1/01/2018**

au

**31/12/2018**

Les montants relatifs à l'exercice précédent sont / ~~ne sont pas~~ \*\*\* identiques à ceux publiés antérieurement

LISTE COMPLÈTE avec nom, prénoms, profession, domicile (adresse, numéro, code postal et commune) et fonction au sein de l'association ou de la fondation des ADMINISTRATEURS ET COMMISSAIRES et, le cas échéant, du représentant en Belgique de l'association étrangère

**Bader Luca**

Santa Sofia 8 , 20122 Milan, Italie

Fonction : Administrateur

Mandat : 24/09/2007

**Deprez Gérard**

Avenue des Combattants 25 , 1340 Ottignies, Belgique

Fonction : Administrateur

Mandat : 21/11/2011

**Pauli François**

Avenue Molière 260 , 1180 Uccle, Belgique

Fonction : Administrateur

Mandat : 21/11/2011

Documents joints aux présents comptes annuels:

Nombre total de pages déposées: **15**  
 objet: 5.1.3, 5.2.1, 5.2.2, 5.4, 5.6, 5.7, 7

Numéros des sections du document normalisé non déposées parce que sans

Signature  
(nom et qualité)

**Miguel Burzako Samper**  
**Administrateur Délégué**

Signature  
(nom et qualité)

\* Mention facultative.

\*\* Par le conseil d'administration dans le cas d'une fondation / par l'organe général de direction dans le cas d'une association internationale sans but lucratif.

\*\*\* Biffer la mention inutile.

## LISTE DES ADMINISTRATEURS ET COMMISSAIRES (suite de la page précédente)

**Rutelli Francesco**

Viale Dell'Umanesimo 75 , 00144 Rome, Italie

Fonction : Président du Conseil d'Administration

Mandat : 29/11/2019

**Schmidt Gabriele**

Voggendorf 11 , 91486 Uehfeld, Allemagne

Fonction : Vice-président du Conseil d'Administration

Mandat : 29/11/2019

**Burzako Samper Miguel**

Sopalacio 30 , 01330 Bastida, Espagne

Fonction : Administrateur délégué

Mandat : 14/05/2018

**Brecely Roman**

Prikrizi 8 , 900082 Zalesie, République Slovaque

Fonction : Administrateur

Mandat : 5/05/2017

**El Hairy Sarah**

Avenue des Goelands 14 , 44300 Nantes, France

Fonction : Administrateur

Mandat : 29/11/2019

**Krosnicki Piotr**

Krasinskiego 16 , 65 01-5 Varsovie, Pologne

Fonction : Administrateur

Mandat : 20/05/2019

**Leuliette Alexandra**

Rue Saint Nicolas 8 , 75012 Paris, France

Fonction : Administrateur

Mandat : 29/11/2019

**Mandole Irene**

Odysseas Elitys 15 , 4107 Limassol, Chypre

Fonction : Administrateur

Mandat : 20/05/2019

## LISTE DES ADMINISTRATEURS ET COMMISSAIRES (suite de la page précédente)

**Szelenyi Zsuzsana**

Torokveszut 129/b , 1025 Budapest, Hongrie

Fonction : Administrateur

Mandat : 29/11/2019



**MISSION DE VÉRIFICATION OU DE REDRESSEMENT**

Mentions facultatives:

- dans le cas où des comptes annuels ont été vérifiés ou redressés par un expert-comptable externe ou par un réviseur d'entreprises qui n'est pas le commissaire, peuvent être mentionnés ci-après: les nom, prénoms, profession et domicile de chaque expert-comptable externe ou réviseur d'entreprises et son numéro de membre auprès de son Institut ainsi que la nature de sa mission:
  - A. La tenue des comptes de l'association ou de la fondation,
  - B. L'établissement des comptes annuels,
  - C. La vérification des comptes annuels et/ou
  - D. Le redressement des comptes annuels.
  
- si des missions visées sous A. ou sous B. ont été accomplies par des comptables agréés ou par des comptables-fiscalistes agréés, peuvent être mentionnés ci-après: les nom, prénoms, profession et domicile de chaque comptable agréé ou comptable-fiscaliste agréé et son numéro de membre auprès de l'Institut Professionnel des Comptables et Fiscalistes agréés ainsi que la nature de sa mission.

Nom, prénoms, profession, domicile	Numéro de membre	Nature de la mission (A, B, C et/ou D)

**BILAN APRES REPARTITION**

	Ann.	Codes	Exercice	Exercice précédent
<b>ACTIF</b>				
<b>ACTIFS IMMOBILISÉS</b> .....		20/28	<u>793,48</u>	<u>279,30</u>
Frais d'établissement .....		20		
Immobilisations incorporelles .....	5.1.1	21		
Immobilisations corporelles .....	5.1.2	22/27	793,48	279,30
Terrains et constructions .....		22		
Appartenant à l'association ou à la fondation en pleine propriété .....		22/91		
Autres .....		22/92		
Installations, machines et outillage .....		23		
Appartenant à l'association ou à la fondation en pleine propriété .....		231		
Autres .....		232		
Mobilier et matériel roulant .....		24	793,48	279,30
Appartenant à l'association ou à la fondation en pleine propriété .....		241	793,48	279,30
Autres .....		242		
Location-financement et droits similaires .....		25		
Autres immobilisations corporelles .....		26		
Appartenant à l'association ou à la fondation en pleine propriété .....		261		
Autres .....		262		
Immobilisations en cours et acomptes versés .....		27		
Immobilisations financières .....	5.1.3/ 5.2.1	28		
<b>ACTIFS CIRCULANTS</b> .....		29/58	<u>268.515,78</u>	<u>206.459,68</u>
Créances à plus d'un an .....		29		
Créances commerciales .....		290		
Autres créances .....		291		
dont créances non productives d'intérêts ou assorties d'un intérêt anormalement faible .....		2915		
Stocks et commandes en cours d'exécution .....		3		
Stocks .....		30/36		
Commandes en cours d'exécution .....		37		
Créances à un an au plus .....		40/41		687,83
Créances commerciales .....		40		687,83
Autres créances .....		41		
dont créances non productives d'intérêts ou assorties d'un intérêt anormalement faible .....		415		
Placements de trésorerie .....	5.2.1	50/53		
Valeurs disponibles .....		54/58	268.515,78	205.771,85
Comptes de régularisation .....		490/1		
<b>TOTAL DE L'ACTIF</b>		20/58	269.309,26	206.738,98

<b>PASSIF</b>	Ann.	Codes	Exercice	Exercice précédent
<b>FONDS SOCIAL</b> .....		10/15	14.021,07	14.021,07
<b>Fonds de l'association ou de la fondation</b> .....		10		
Patrimoine de départ .....		100		
Moyens permanents .....		101		
<b>Plus-values de réévaluation</b> .....		12		
<b>Fonds affectés</b> .....	5.3	13	14.021,07	14.021,07
<b>Résultat positif (négatif) reporté</b> .....(+)/(-)		14		
<b>Subsides en capital</b> .....		15		
<b>PROVISIONS</b> .....	5.3	16		
<b>Provisions pour risques et charges</b> .....		160/5		
<b>Provisions pour subsides et legs à rembourser et pour dons avec droit de reprise</b> .....		168		
<b>DETTES</b> .....		17/49	255.288,19	192.717,91
<b>Dettes à plus d'un an</b> .....	5.4	17		
<b>Dettes financières</b> .....		170/4		
Etablissements de crédit, dettes de location-financement et assimilées .....		172/3		
Autres emprunts .....		174/0		
<b>Dettes commerciales</b> .....		175		
<b>Acomptes reçus sur commandes</b> .....		176		
<b>Autres dettes</b> .....		179		
Productives d'intérêts .....		1790		
Non productives d'intérêts ou assorties d'un intérêt anormalement faible .....		1791		
Cautionnements reçus en numéraire .....		1792		
<b>Dettes à un an au plus</b> .....	5.4	42/48	177.736,35	165.580,30
<b>Dettes à plus d'un an échéant dans l'année</b> .....		42		
<b>Dettes financières</b> .....		43		
Etablissements de crédit .....		430/8		
Autres emprunts .....		439		
<b>Dettes commerciales</b> .....		44	28.689,94	13.836,52
Fournisseurs .....		440/4	28.689,94	13.836,52
Effets à payer .....		441		
<b>Acomptes reçus sur commandes</b> .....		46		
<b>Dettes fiscales, salariales et sociales</b> .....		45	296,41	2.993,78
Impôts .....		450/3		
Rémunérations et charges sociales .....		454/9	296,41	2.993,78
<b>Dettes diverses</b> .....		48	148.750,00	148.750,00
Obligations et coupons échus, subsides à rembourser et cautionnements reçus en numéraire .....		480/8		
Autres dettes productives d'intérêts .....		4890	148.750,00	148.750,00
Autres dettes non productives d'intérêts ou assorties d'un intérêt anormalement faible .....		4891		
<b>Comptes de régularisation</b> .....		492/3	77.551,84	27.137,61
<b>TOTAL DU PASSIF</b>		10/49	269.309,26	206.738,98

**COMPTE DE RÉSULTATS**

	Ann.	Codes	Exercice	Exercice précédent
<b>Produits et charges d'exploitation</b>				
Marge brute d'exploitation .....(+)/(-)		9900	112.393,13	91.008,12
Ventes et prestations* .....		70/74	446.091,15	300.754,52
Chiffre d'affaires* .....		70		
Cotisations, dons, legs et subsides* .....		73	445.036,05	300.000,00
Approvisionnements, marchandises, services et biens divers* .....		60/61	333.698,02	209.746,40
Rémunérations, charges sociales et pensions.....(+)/(-)	5.5	62	111.537,24	89.645,47
Amortissements et réductions de valeur sur frais d'établissement, sur immobilisations incorporelles et corporelles .....		630	543,81	726,59
Réductions de valeur sur stocks, sur commandes en cours d'exécution et sur créances commerciales: dotations (reprises) .....(+)/(-)		631/4		
Provisions pour risques et charges: dotations (utilisations et reprises) .....(+)/(-)		635/8		
Autres charges d'exploitation .....		640/8		
Charges d'exploitation portées à l'actif au titre de frais de restructuration .....		649		
<b>Résultat positif (négatif) d'exploitation .....(+)/(-)</b>		9901	<u>312,08</u>	<u>636,06</u>
<b>Produits financiers</b> .....	5.5	75	11,34	0,41
<b>Charges financières</b> .....	5.5	65	323,42	636,47
<b>Résultat positif (négatif) courant..... (+)/(-)</b>		9902		
<b>Produits exceptionnels</b> .....		76		
<b>Charges exceptionnelles</b> .....		66		
<b>Résultat positif (négatif) de l'exercice .....(+)/(-)</b>		9904	<u></u>	<u></u>

\* Mention facultative.

**AFFECTATIONS ET PRELEVEMENTS**

	Codes	Exercice	Exercice précédent
<b>Résultat positif (négatif) à affecter</b> .....(+)/(-)	9906		
Résultat positif (négatif) de l'exercice à affecter .....(+)/(-)	9905		
Résultat positif (négatif) de l'exercice antérieur reporté .....(+)/(-)	14P		
<b>Prélèvement sur les capitaux propres</b> .....	791/2		
sur les fonds de l'association ou de la fondation .....	791		
sur les fonds affectés .....	792		
<b>Affectation aux fonds affectés</b> .....	692		
<b>Résultat positif (négatif) à reporter</b> .....(+)/(-)	(14)		

## ANNEXE

## ETAT DES IMMOBILISATIONS

	Codes	Exercice	Exercice précédent
<b>IMMOBILISATIONS INCORPORELLES</b>			
<b>Valeur d'acquisition au terme de l'exercice</b> .....	8059P	xxxxxxxxxxxxxxxx	3.808,00
<b>Mutations de l'exercice</b>			
Acquisitions, y compris la production immobilisée .....	8029		
Cessions et désaffectations .....	8039		
Transferts d'une rubrique à une autre.....(+)/(-)	8049		
<b>Valeur d'acquisition au terme de l'exercice</b> .....	8059	3.808,00	
<b>Amortissements et réductions de valeur au terme de l'exercice</b> .....	8129P	xxxxxxxxxxxxxxxx	3.808,00
<b>Mutations de l'exercice</b>			
Actés .....	8079		
Repris .....	8089		
Acquis de tiers .....	8099		
Annulés à la suite de cessions et désaffectations .....	8109		
Transférés d'une rubrique à une autre.....(+)/(-)	8119		
<b>Amortissements et réductions de valeur au terme de l'exercice</b> .....	8129	3.808,00	
<b>VALEUR COMPTABLE NETTE AU TERME DE L'EXERCICE</b> .....	(21)		

	Codes	Exercice	Exercice précédent
<b>IMMOBILISATIONS CORPORELLES</b>			
<b>Valeur d'acquisition au terme de l'exercice</b> .....	8199P	xxxxxxxxxxxxxxxx	3.475,19
<b>Mutations de l'exercice</b>			
Acquisitions, y compris la production immobilisée .....	8169	1.057,99	
Cessions et désaffectations .....	8179		
Transferts d'une rubrique à une autre.....(+)/(-)	8189		
<b>Valeur d'acquisition au terme de l'exercice</b> .....	8199	4.533,18	
<b>Plus-values au terme de l'exercice</b> .....	8259P	xxxxxxxxxxxxxxxx	
<b>Mutations de l'exercice</b>			
Actées .....	8219		
Acquises de tiers .....	8229		
Annulées .....	8239		
Transférées d'une rubrique à une autre.....(+)/(-)	8249		
<b>Plus-values au terme de l'exercice</b> .....	8259		
<b>Amortissements et réductions de valeur au terme de l'exercice</b> .....	8329P	xxxxxxxxxxxxxxxx	3.195,89
<b>Mutations de l'exercice</b>			
Actés .....	8279	543,81	
Repris .....	8289		
Acquis de tiers .....	8299		
Annulés à la suite de cessions et désaffectations .....	8309		
Transférés d'une rubrique à une autre.....(+)/(-)	8319		
<b>Amortissements et réductions de valeur au terme de l'exercice</b> .....	8329	3.739,70	
<b>VALEUR COMPTABLE NETTE AU TERME DE L'EXERCICE</b> .....	(22/27)	793,48	
<b>DONT</b>			
<b>Appartenant à l'association ou à la fondation en pleine propriété</b> .....	8349	793,48	

**LISTE DES AUTRES ENTITES LIEES**

DÉNOMINATION, adresse complète du SIÈGE, FORME JURIDIQUE  
et pour les entités de droit belge,  
mention du NUMÉRO D'ENTREPRISE

**Parti Démocrate Européen AISBL**

Rue de l'Industrie 4

1000 Bruxelles 1

Belgique

0867.454.469

**Jeunes Démocrates Européens AISBL**

Rue de l'Industrie 4

1000 Bruxelles 1

Belgique

0898.794.872



**ETAT DES FONDS AFFECTES ET PROVISIONS****ETAT DES FONDS AFFECTES**

Règles d'évaluation adoptées pour la détermination des montants affectés (rubrique 13 du passif)

Utiliser dans le but de promouvoir des initiatives pro-européennes dans les différents pays de l'UE.

**PROVISIONS**

Ventilation de la rubrique 160/5 du passif ("Provisions pour risques et charges") si celle-ci représente un montant important

Ventilation de la rubrique 168 du passif ("Provisions pour subsides et legs à rembourser et pour dons avec droit de reprise") si celle-ci représente un montant important

Exercice

**RESULTATS**

	Codes	Exercice	Exercice précédent
<b>PERSONNEL ET FRAIS DE PERSONNEL</b>			
<b>Travailleurs pour lesquels l'association ou la fondation a introduit une déclaration DIMONA ou qui sont inscrits au registre général du personnel</b>			
Nombre total à la date de clôture .....	9086	2	2
Effectif moyen du personnel calculé en équivalents temps plein .....	9087	2,3	2,0
Nombre d'heures effectivement prestées .....	9088	4.416	3.201
<b>Frais de personnel</b>			
Rémunérations et avantages sociaux directs .....	620	94.374,65	73.425,75
Cotisations patronales d'assurances sociales .....	621	16.344,41	13.173,01
Primes patronales pour assurances extralégales .....	622		
Autres frais de personnel .....	623	818,18	3.046,71
Pensions de retraite et de survie .....	624		
<b>RÉSULTATS FINANCIERS</b>			
Intérêts intercalaires portés à l'actif .....	6503		
Montant de l'escompte à charge de l'association ou de la fondation sur la négociation de créances .....	653		
Montant par solde des provisions à caractère financier constituées (utilisées ou reprises) .....	656		
			(+)/( -)

**BILAN SOCIAL**

Numéros des commissions paritaires dont dépend l'association ou la fondation:

**TRAVAILLEURS POUR LESQUELS L'ASSOCIATION OU LA FONDATION A INTRODUIT UNE DECLARATION DIMONA OU QUI SONT INSCRITS AU REGISTRE GENERAL DU PERSONNEL**

	Codes	1. Temps plein (exercice)	2. Temps partiel (exercice)	3. Total (T) ou total en équivalents temps plein (ETP) (exercice)	3P.Total (T) ou total en équivalents temps plein (ETP) (exercice précédent)
<b>Au cours de l'exercice et de l'exercice précédent</b>					
Nombre moyen de travailleurs .....	100	2,3		2,3 (ETP)	2,0 (ETP)
Nombre effectif d'heures prestées .....	101	4.416		4.416 (T)	3.201 (T)
Frais de personnel .....	102	111.537,24		111.537,24 (T)	89.645,47 (T)

	Codes	1. Temps plein	2. Temps partiel	3. Total en équivalents temps plein
<b>A la date de clôture de l'exercice</b>				
<b>Nombre de travailleurs</b>	105	2		2,0
<b>Par type de contrat de travail</b>				
Contrat à durée indéterminée .....	110			
Contrat à durée déterminée .....	111	2		2,0
Contrat pour l'exécution d'un travail nettement défini .....	112			
Contrat de remplacement .....	113			
<b>Par sexe et niveau d'études</b>				
Hommes .....	120	2		2,0
de niveau primaire .....	1200	1		1,0
de niveau secondaire .....	1201			
de niveau supérieur non universitaire .....	1202			
de niveau universitaire .....	1203	1		1,0
Femmes .....	121			
de niveau primaire .....	1210			
de niveau secondaire .....	1211			
de niveau supérieur non universitaire .....	1212			
de niveau universitaire .....	1213			
<b>Par catégorie professionnelle</b>				
Personnel de direction .....	130			
Employés .....	134	2		2,0
Ouvriers .....	132			
Autres .....	133			

**TABLEAU DES MOUVEMENTS DU PERSONNEL AU COURS DE L'EXERCICE**

	Codes	1. Temps plein	2. Temps partiel	3. Total en équivalents temps plein
<b>ENTREES</b>				
Nombre de travailleurs pour lesquels l'association ou la fondation a introduit une déclaration DIMONA ou qui ont été inscrits au registre général du personnel au cours de l'exercice .....	205			
<b>SORTIES</b>				
Nombre de travailleurs dont la date de fin de contrat a été inscrite dans une déclaration DIMONA ou au registre général du personnel au cours de l'exercice .....	305			

**RENSEIGNEMENTS SUR LES FORMATIONS POUR LES TRAVAILLEURS AU COURS DE L'EXERCICE**

	Codes	Hommes	Codes	Femmes
<b>Initiatives en matière de formation professionnelle continue à caractère formel à charge de l'employeur</b>				
Nombre de travailleurs concernés .....	5801		5811	
Nombre d'heures de formation suivies .....	5802		5812	
Coût net pour l'association ou la fondation .....	5803		5813	
dont coût brut directement lié aux formations .....	58031		58131	
dont cotisations payées et versements à des fonds collectifs .....	58032		58132	
dont subventions et autres avantages financiers reçus (à déduire) .....	58033		58133	
<b>Initiatives en matière de formation professionnelle continue à caractère moins formel ou informel à charge de l'employeur</b>				
Nombre de travailleurs concernés .....	5821		5831	
Nombre d'heures de formation suivies .....	5822		5832	
Coût net pour l'association ou la fondation .....	5823		5833	
<b>Initiatives en matière de formation professionnelle initiale à charge de l'employeur</b>				
Nombre de travailleurs concernés .....	5841		5851	
Nombre d'heures de formation suivies .....	5842		5852	
Coût net pour l'association ou la fondation .....	5843		5853	



## Final Statement of reimbursable expenditure actually incurred

Annex b) to call for proposals

**ESTIMATED BUDGET**

Costs		
Relmursable costs	Budget	Actual
<b>A.1: Personnel costs</b>	86.850,00	112.151,45
1. Salaries	70.250,00	94.249,10
2. Contributions	12.000,00	16.344,41
3. Professional training	600,00	0,00
4. Staff missions expenses	2.500,00	0,00
5. Other personnel costs	1.500,00	1.557,94
<b>A.2: Infrastructure and operating costs</b>	38.500,00	19.911,87
1. Rent, charges and maintenance costs	12.000,00	12.000,00
2. Costs relating to installation, operation and maintenance of equipment	500,00	1.570,00
3. Depreciation of movable and immovable property		543,81
4. Stationery and office supplies	4.000,00	2.973,84
5. Postal and telecommunications charges	3.000,00	1.736,47
6. Printing, translation and reproduction costs	19.000,00	1.087,75
7. Other infrastructure costs		
<b>A.3: Administrative costs</b>	61.500,00	52.224,14
1. Documentation costs (newspapers, press agencies, databases)	1.000,00	71,45
2. Costs of studies and research	50.000,00	36.300,00
3. Legal costs	1.500,00	2.924,12
4. Accounting and audit costs	9.000,00	12.919,67
5. Support to third parties		0,00
6. Miscellaneous administrative costs		8,90
<b>A.4: Meetings and representation costs</b>	247.000,00	192.441,19
1. Costs of meetings	190.000,00	158.055,69
2. Participation in seminars and conferences	20.000,00	
3. Representation costs	37.000,00	34.385,50
4. Costs of invitations		
5. Other meeting-related costs		
<b>A.5: Information and publication costs</b>	35.560,00	17.692,45
1. Publication costs	23.000,00	12.375,15
2. Creation and operation of Internet sites	6.000,00	3.838,00
3. Publicity costs	4.000,00	762,30
4. Communications equipment (gadgets)	2.560,00	717,00
5. Seminar and exhibitions		
6. Other information-related costs		
<b>A.6. Allocation to "Provision to cover eligible costs of the first quarter of year N"</b>		77.551,84
<b>A. TOTAL ELIGIBLE COSTS</b>	<b>469.410,00</b>	<b>471.972,94</b>
<b>Ineligible costs</b>	<b>0,00</b>	
1. Provisions		
2. Exchange losses		
3. Doubtful claims on third parties		
4. Contributions in kind		
5. Others (to be specified)		212,05
<b>B. TOTAL INELIGIBLE COSTS</b>	<b>0,00</b>	<b>212,05</b>
<b>C. TOTAL COSTS</b>	<b>469.410,00</b>	<b>472.184,99</b>

Revenue		
	Budget	Actual
D.1. Dissolution of "Provision to cover eligible costs of the first quarter of year N"	n/a	27.137,60
D.2. European Parliament funding	445.939,00	421.786,05
D.3. Membership fees	23.470,00	23.250,00
3.1 from member foundations	23.270,00	23.250,00
3.2 from individual members	200,00	
D.4 Donations		
D.5 Other own resources		11,34
(to be listed)		11,34
D.6. Interest from pre-financing		
D.7. Contributions in kind		
<b>D. TOTAL REVENUE</b>	<b>469.410,00</b>	<b>472.184,99</b>
<b>E. profit/loss (D-C)</b>		<b>0,00</b>
<b>F. Allocation of own resources to the reserve account</b>		
<b>G. Profit/loss for verifying compliance with the no profit rule (E-F)</b>		

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## Independent auditor's report on the Financial Statements in accordance with International Financial Reporting Standards of Institut des Démocrates Européens ASBL for the year ended 31 December 2019

### Unqualified Opinion

We have audited the Financial Statements of Institut des Démocrates Européens ASBL (the "Entity"), which comprise the statement of financial position as at 31 December 2019, as well as the statement of profit or loss and the statement of comprehensive income for the year then ended, the statement of changes in equity and statement of cash flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying Financial Statements give a true and fair view of the financial position of the Entity as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

### Basis for Unqualified Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the Financial Statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Matters – Auditor's Opinion on the Annual Accounts and the Final Statement of eligible expenditure actually incurred

We have also audited the Annual Accounts of the Entity prepared in accordance with the financial reporting framework applicable in Belgium and the Final Statement of eligible expenditure actually incurred, prepared in accordance with rules and regulations applicable to funding of political parties and political foundations at European level. In this regard, we have issued our audit report dated 21 May 2020.



## Other Matters

We draw your attention to the developments surrounding the Covid-19 virus that has a profound impact on people's health and on society as a whole. This also has an impact on the operational and financial performance of organisations and the assessment of the Entity's ability to continue as a Going Concern. The situation gives rise to inherent uncertainty. We have considered the uncertainties related to the potential effects of Covid-19 and the assumptions made by the Entity in this respect on its operations and financial situation. Our opinion is not modified in respect of this matter.

On 31 January 2020, the United Kingdom withdrew from the European Union and the European Atomic Energy Community (EURATOM). At present, negotiations for a new partnership with the United Kingdom of Great Britain and Northern Ireland are ongoing. We have considered the uncertainties related to the potential effects of Brexit and the assumptions made by the Entity in this respect on its operations and financial situation. Our opinion is not modified in respect of this matter.

## Responsibilities of the Board of Directors for the preparation of the Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the Financial Statements in accordance with IFRS, and for such internal control as the Board of Directors determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

Pursuant to paragraph 1 of Article 23 of Regulation (EU, Euratom) No 1141/2014, the Entity is required to maintain and report on their Financial Statements on the basis of international accounting standards as defined in Article 2 of Regulation (EC) No 1606/2002.

In preparing the Financial Statements, the Board of Directors are responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Entity's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.





The audit has been performed following our appointment by the European Parliament, which seeks to obtain assurance relating to the Entity's adherence to its obligations under Article 23 of Regulation (EU, Euratom) No 1141/2004.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors or their delegates regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



#### Restriction on use and distribution

The opinion transmitted is only intended for the Entity and for the European Parliament. It may not be distributed or made available to any other parties, except those who have regulatory rights of access to it. Any review, transmission, dissemination or other use of, or taking of any action in reliance upon this information by any persons or entities other than the Entity or the European Parliament is prohibited and we will not assume any duty of care or liability towards these persons or entities.

25 June 2020

EY Réviseurs d'Entreprises SRL  
Represented by

A handwritten signature in blue ink, appearing to read 'Danielle Vermaelen', is written over the printed name and title.

Danielle Vermaelen\*  
Partner  
\* Acting on behalf of a BV/SRL

21DV0026

# INSTITUT DES DEMOCRATES EUROPEENS

Financial statements as of and for the year  
ended 31 December 2019

Statement of financial position at 31 December 2019.....	4
Statement of profit or loss for the year ended 31 December 2019 .....	5
Statement of comprehensive income for the year ended 31 December 2019.....	6
Statement of changes in equity for the year ended 31 December 2019 .....	7
Statement of cash flows for the year ended 31 December 2019.....	8
Notes to the financial statements for the year ended 31 December 2019.....	9
1. General information .....	9
2. Significant accounting policies .....	11
2.1. Basis of preparation .....	11
2.2. Summary of significant accounting policies .....	12
a) Current versus non-current classification .....	12
b) Foreign currencies.....	12
c) Intangible assets.....	13
d) Property, plant and equipment.....	14
e) European Parliament grants .....	15
f) Cash and cash equivalents .....	15
g) Financial instruments.....	16
h) Impairment of non-financial assets.....	18
i) Provisions for other liabilities and charges .....	18
j) Leases – lessee accounting .....	19
k) Revenue from contracts with customers .....	20
l) Joint operation .....	21
2.3. Changes in accounting policies and disclosures .....	22
2.4. Standards issued but not yet effective .....	23
3. Critical accounting estimates and judgments.....	25
4. Revenue from contracts with customers .....	27
5. Other income .....	27
6. Expenses by nature and other operating income .....	28
7. Finance income and costs .....	29

8. Employee benefit expense .....	29
9. Property, plant and equipment .....	30
10. Financial assets and financial liabilities .....	31
a) Financial assets .....	31
b) Financial liabilities: Borrowings .....	31
c) Fair Values .....	32
11. Financial risk management .....	32
a) Financial risk factors .....	32
b) Capital management .....	35
12. Joint Operations .....	35
13. Trade and other receivables .....	36
14. Cash and cash equivalents .....	36
15. Trade and other payables .....	36
16. Events after the reporting date .....	37

## Statement of financial position at 31 December 2019

EUR	Notes	31 December 2019	31 December 2018
<b>ASSETS</b>			
Non-current assets			
Property, plant and equipment	9	45.615	279
<b>Total non-current assets</b>		<b>45.615</b>	<b>279</b>
Current assets			
Trade and other receivables	13	-	688
Cash and cash equivalents	14	268.516	205.772
<b>Total current assets</b>		<b>268.516</b>	<b>206.460</b>
<b>Total assets</b>		<b>314.131</b>	<b>206.739</b>
<b>EQUITY AND LIABILITIES</b>			
Equity			
Initial funds		-	-
Reserves		(1.205)	(1.205)
Retained earnings		14.861	15.226
<b>Total equity</b>		<b>13.656</b>	<b>14.021</b>
Non-current liabilities			
Leasing liabilities	11	33.980	-
<b>Total non-current liabilities</b>		<b>33.980</b>	<b>-</b>
Current liabilities			
Trade and other payables	15	255.289	192.718
Leasing liabilities	11	11.206	-
<b>Total current liabilities</b>		<b>266.495</b>	<b>192.718</b>
<b>Total liabilities</b>		<b>300.475</b>	<b>192.718</b>
<b>Total equity and liabilities</b>		<b>314.131</b>	<b>206.739</b>

The notes 1 to 16 are an integral part of these financial statements.

## Statement of profit or loss for the year ended 31 December 2019

EUR	Notes	2019	2018
Revenue from contracts with customers	4	23.250	45.000
Other income	5	371.372	227.862
<b>Revenue</b>		<b>394.622</b>	<b>272.862</b>
General and administrative expenses	6	(394.809)	(272.981)
Other operating income/(expenses)	6	1.055	1.008
<b>Operating profit/(loss)</b>		<b>868</b>	<b>889</b>
Finance income	7	11	-
Finance costs	7	(1.244)	(636)
<b>Profit/(loss) for the year</b>		<b>(365)</b>	<b>253</b>

The notes 1 to 16 are an integral part of these financial statements.

## Statement of comprehensive income for the year ended 31 December 2019

EUR	Notes	2019	2018
Profit/(loss) for the year		(365)	253
<b>Other comprehensive income</b>			
<i>Other comprehensive income that may be reclassified to profit or loss in subsequent periods</i>		-	-
<i>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods</i>		-	-
Remeasurement gain/(loss) on defined benefit plans		-	-
<b>Total comprehensive income for the year, net of tax</b>		<b>(365)</b>	<b>253</b>

The notes 1 to 16 are an integral part of these financial statements.



## Statement of changes in equity for the year ended 31 December 2019

EUR	Initial funds	Reserves	Retained earnings	Total equity
Balance at 1 January 2018	-	(1.205)	14.973	13.768
Profit/(loss) for the year	-	-	253	253
Balance at 31 December 2018	-	(1.205)	15.226	14.021
Balance at 1 January 2019	-	(1.205)	15.226	14.021
Profit/(loss) for the year	-	-	(365)	(365)
Balance at 31 December 2019	-	(1.205)	14.861	13.656

The notes 1 to 16 are an integral part of these financial statements.

## Statement of cash flows for the year ended 31 December 2019

EUR	Notes	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit/(loss) for the year		(365)	253
Adjustments for:			
Finance income	7	(11)	-
Finance costs	7	1.244	636
Depreciation and impairment of property, plant and equipment	9	11.988	474
European Parliament grant	5	(371.372)	(227.862)
<b>Net profit/(loss) before changes in working capital</b>		<b>(358.516)</b>	<b>(226.499)</b>
Changes in working capital:			
Decrease/(increase) in trade and other receivables		699	17.411
Increase/(decrease) in trade and other payables		11.834	(2.536)
Cash receipt/(reimbursement) European Parliament grant:			
Receipt of European Parliament grant	15	421.786	345.139
<b>Net cash flows from operating activities</b>		<b>75.803</b>	<b>133.515</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of property, plant and equipment	9	(1.059)	-
<b>Net cash flows from investing activities</b>		<b>(1.059)</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Interest paid on lease liabilities	7	(921)	-
Payments of lease liabilities	11	(11.079)	-
<b>Net cash flows from financing activities</b>		<b>(12.000)</b>	<b>-</b>
<b>Movement in cash and cash equivalents including bank overdrafts</b>		<b>62.744</b>	<b>133.515</b>
<b>Net increase in cash and cash equivalents</b>		<b>62.744</b>	<b>133.515</b>
Net foreign exchange difference			
<b>Cash and cash equivalents at 1 January</b>		<b>205.772</b>	<b>72.257</b>
<b>Cash and cash equivalents at 31 December</b>		<b>268.516</b>	<b>205.772</b>

The notes 1 to 16 are an integral part of these financial statements.

## Notes to the financial statements for the year ended 31 December 2019

### 1. General information

The Institute of European Democrats is a European Political Foundation incorporated and domiciled in Belgium. The registered office is located at rue de l'Industrie 4, 1000 Brussels. The Foundation is a Research Institute linked to the European Democratic Foundation; it operates through a rich planning of activities that include the arrangement of studies and analysis, and the organization of workshops and public conferences.

#### Financial statements

The financial statements as of and for the year ended 31 December 2019 were authorized for issue in accordance with a resolution of the Board of Directors on 25 June 2020.

#### Board of directors

At the end of the financial period, the Board of Directors was composed of the following members:

Name	Function	Start of mandate	End of mandate
Bader Luca	Administrateur	20/05/2019	20/05/2021
Deprez Gérard	Administrateur	20/05/2019	20/05/2021
Pauli François	Administrateur	20/05/2019	20/05/2021
Rutelli Francesco	Président du Conseil d'Administration	29/11/2019	29/11/2021
Schmidt Gabriele	Vice-président du Conseil d'Administration	29/11/2019	29/11/2021
Burzako Samper Miguel	Administrateur délégué	20/05/2019	20/05/2021
Brecely Roman	Administrateur	05/05/2017	05/05/2019
El Hairy Sarah	Administrateur	29/11/2019	29/11/2021
Krosnicki Piotr	Administrateur	20/05/2019	20/05/2021
Leuliette Alexandra	Administrateur	29/11/2019	29/11/2021
Mandole Irene	Administrateur	20/05/2019	20/05/2021

Szelenyl Zsuzsana	Administrateur	29/11/2019	29/11/2021
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### **Auditors**

The statutory audit of the standalone financial statements is performed by EY Réviseurs d'entreprises SRL represented by Danielle Vermaelen.

### **Figures in the financial statements**

These financial statements are presented in euro, which is the Foundation's presentation currency and the functional currency of the Foundation. All amounts in these financial statements are presented in euro, unless otherwise stated.

## **2. Significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### **2.1. Basis of preparation**

The financial statements of the Foundation for the year ended 31 December 2019 have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and IFRS Interpretations Committee (IFRIC) interpretations as endorsed by the European Union. The changes in accounting policies due to new IFRS standards entered into force in 2019 are described in Note 2.3.

The historical cost convention has been used to prepare the financial statements. The accrual basis of accounting has been used to prepare the financial statements based on the assumption that the Foundation is a going concern and will continue operation in the foreseeable future.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Foundation’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

## 2.2. Summary of significant accounting policies

### a) Current versus non-current classification

The Foundation presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle, meaning within a calendar year,
- Expected to be realised within twelve months after the reporting period,
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Foundation classifies all other liabilities as non-current.

### b) Foreign currencies

#### Functional and presentation currency

Items included in the financial statements of the Foundation are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). The financial statements are presented in euro (EUR), which is the Foundation’s presentation currency and the functional currency of the Foundation.

#### Transactions and balances

Transactions in foreign currencies are initially recorded by the Foundation at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

The foundation has limited transactions in foreign currency, therefore the foreign exchange risk is not considered to have a significant impact on the profit before tax and pre-tax equity.

**c) Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as finite. The Foundation does not have any intangible assets with an indefinite useful life.

Intangible assets with finite useful lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite useful lives is recognized in the income statement in the expense category that is consistent with the function of the intangible assets.

An intangible asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the income statement when the asset is derecognized.

**Website costs**

Research costs are expensed as incurred. Website development costs are only recognized as intangible asset if: 1/ it can be demonstrated that the website will generate probable future economic benefits when, for example, donations can be made through the website and 2/ the Foundation can demonstrate:

- ✓ The technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- ✓ Its intention to complete and its ability and intention to use or sell the asset;
- ✓ How the asset will generate future economic benefits;
- ✓ The availability of resources to complete the asset; and
- ✓ The ability to measure reliably the expenditure during development.

Directly attributable costs that are capitalized as part of the intangible asset include costs incurred for external consultants and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization will begin when development is completed and the asset is available for use. The costs are amortized using the straight-line method over their estimated useful lives (4 years). During the period of development, the asset is tested for impairment annually.

#### **d) Property, plant and equipment**

The Foundation's property, plant and equipment are mainly composed of IT equipment, furniture, office equipment and right-of-use assets relating to lease contract of offices.

Property, plant and equipment are stated at historical cost less subsequent depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Foundation and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation on the assets is calculated using the straight-line method to allocate their cost over their estimated useful lives. These useful lives have been determined as follows:

<b>Property, plant and equipment</b>	<b>Useful lives</b>
IT equipment	4 years
Office equipment and furniture	4 years

The methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate. Where an asset's carrying amount is greater than its estimated recoverable amount, it is written down to its recoverable amount.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference



between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

#### **e) European Parliament grants**

The Foundation receives a grant from the European Parliament, which is awarded at the beginning of each accounting year since January 1<sup>st</sup>, 2019, whereas before it was most of the time awarded at the end of the prior accounting year. At that moment there is a reasonable assurance that the grant will be received and all attached conditions (execution of the work plan) will be complied with. Since the grant relates to expense items, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

The Foundation makes an assessment at the end of the accounting year of the amount of eligible expenditure it has incurred. The portion of the grant that will cover this expenditure is recorded as income in the income statement. Two scenarios can occur:

- Scenario 1 in which the amount of eligible expenditure matches the grant amount or exceeds the grant amount. In this scenario, the entire grant is recorded as income in the income statement,
- Scenario 2 in which the amount of eligible expenditure is less than the grant amount. In this scenario, the portion of the grant that is not used can be carried over to the next year. The amount of the carry-over will be accounted for as a liability in the balance sheet and will be released the next accounting year once the expenditure it is intended to cover has been incurred.

At the end of the reporting period, the final balance of eligible expenditure is determined after the external audit. The expenditure that is rejected through this audit may lead to a reduction of the final grant and can result in a reimbursement of a portion of the grant by the political Foundation to the European Parliament. After payment of the final balance, the European Parliament can as well perform an audit even up till 5 years after the payment. This audit can also lead to a reduction of the grant amount and a reimbursement. If the Foundation has to make a reimbursement to the European Parliament, the Foundation needs to account for a liability.

#### **f) Cash and cash equivalents**

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Foundation's cash management.

#### **g) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### **Financial assets**

##### **Initial recognition and measurement**

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The Foundation's financial assets are composed of trade and other receivables and cash and cash equivalents. These financial assets have been classified as subsequently measured at amortised cost, except for cash and cash equivalents.

The trade receivables do not contain a significant financing component and have been initially measured at the transaction price determined under IFRS 15. The cash and cash equivalents have been initially measured at fair value plus transaction costs.

##### **Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortised cost (debt instruments),
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments), or with no recycling of cumulative gains and losses upon derecognition (equity instruments),
- Financial assets at fair value through profit or loss.

The Foundation's financial assets are classified as financial assets at amortised cost (debt instruments) since both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The financial assets are derecognized when the rights to receive cash flows from the asset have expired.

In terms of impairment of the trade receivables, the Foundation applies a simplified approach in calculating Expected Credit Losses (ECL). The Foundation does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. A provision matrix that is based on historical credit loss experience has been established, which is adjusted for forward-looking factors specific to the debtors and the economic environment.

All financial assets are fully written off after two years when there is no reasonable expectation of recovering the contractual cash flows. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Foundation is unlikely to receive the outstanding contractual amounts in full.

### Financial liabilities

#### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Foundation's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts.

#### **Subsequent measurement**

The measurement of financial liabilities depends on their classification. The Foundation's financial liabilities are all classified in the category loans and borrowings, or the category payables.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

The financial liabilities are derecognized when the obligation under the liability is discharged or cancelled or expires.

#### **Offsetting financial instruments:**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The Foundation does not offset its financial assets and liabilities.

#### **h) Impairment of non-financial assets**

The Foundation assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Foundation estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

There were no indications that assets may be impaired during the accounting period. Moreover, the Foundation does not have intangible assets that are not ready to use or are not subject to amortization. As a result, there is no requirement to perform a yearly impairment test.

#### **i) Provisions for other liabilities and charges**

A provision is recognized when the Foundation has a present obligation (legal or constructive) where, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Foundation expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**j) Leases – lessee accounting**

The Foundation assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Foundation leases office workspace. The Foundation applied a single recognition and measurement approach for all leases for which it is the lessee. The Foundation recognised lease liabilities and right-of-use assets representing the right to use the underlying assets. In accordance with IFRS 16, the simplified modified retrospective method has been applied for the transition to IFRS 16 at the date of initial application of 1 January 2019.

**Lease liabilities**

At the commencement date of the lease, the Foundation recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. The lease payments also include the exercise price of a purchase option if reasonably certain to be exercised by the Foundation and payments of penalties for terminating a lease, if the lease term reflects the Foundation exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Foundation uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The Foundation selected the accounting policy to present interest paid on lease liabilities as part of the cash flows for financing activities.

**Right-of-use assets**

The Foundation recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of initial measurement of the lease liability, initial direct costs incurred, and lease payments made at or before the commencement

date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Underlying assets	Depreciation term
Office	5 years

If ownership of the leased asset transfers to the Foundation at the end of the lease term, or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section re 'Impairment of non-financial assets'.

#### Short-term leases and leases of low-value assets

The Foundation applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

The information about leases is included in the following notes:

Depreciation charges on right-of-use assets	Note 6 Expense by nature
Interest expense on lease liabilities	Note 7 Finance income and costs
Right of use assets movement	Note 9 Property, plant and equipment
Lease liabilities movement	Note 11 Financial risk management

#### k) Revenue from contracts with customers

IFRS 15 establishes a five-step model for recognizing revenue from contracts with customers. Under IFRS 15, revenue is recognized for the amount of consideration an entity expects to be entitled to in exchange for goods or services transferred to a customer.

The Foundation has a contract with Member parties for which it receives Member Foundation contributions or Membership fees. Membership fees are fixed in euro; they are payable without deduction of incurred costs, and are adjusted annually in line with Belgian inflation. The fees are due at the start of the year for a one year membership and are recorded upfront. As such the revenue that is recorded 31 December equals the membership fees received for the respective year.

There are three kind of Membership Fees:

- The annual Membership Fees of the based on:

- A basic sum calculated on the basis of the votes obtained by the Foundation in the last European Elections.
- A basic sum per member of the Foundation in the respective Group in the European Parliament.
- The annual Membership Fees of the Foundation's Associated Member Parties, based on the votes obtained by these Associated Member parties during the last national elections. The Associated Member parties will start paying Membership Fees immediately after their admission as an Associated Member Foundation, pro rata temporis.
- The annual Membership fees for Members Associations, which are determined by the Political Assembly upon proposal of the Treasurer and Secretary General.

There are consequences if a Foundation accumulates arrears in the payment of their annual Membership Fee.

- One year arrears of membership fees, the Foundation in question loses its speaking and/or voting rights within the organs and bodies of the association as well as its right to propose candidates for positions within the association, until they have paid off their arrears.
- Two years arrears of membership fees, the Presidency has to propose to the Political Assembly to exclude the Foundation in question.

In line with the IFRS requirements the Foundation will cease to account for revenue when the collectability criterion is no longer met.

#### **l) Joint operation**

A joint operation is a joint arrangement not structured in a separate vehicle, in which the parties with joint control have rights to the assets and obligations for the liabilities relating to the arrangement. A joint operator shall recognize

- (a) its assets, including its share of any assets held jointly;
- (b) its liabilities, including its share of any liabilities incurred jointly;
- (c) its revenue from the sale of its share of the output arising from the joint operation;
- (d) its share of the revenue from the sale of the output by the joint operation; and
- (e) its expenses, including its share of any expenses incurred jointly.

The Foundation performs joint projects, in which it enters into a joint arrangement together with the member foundations. The cost incurred in these projects are for 50% covered by the member foundations and both parties have joint rights to the asset being created. The portion of the cost covered by the member foundation is set off against the income flowing from the invoices issued to the member foundation.

### 2.3. Changes in accounting policies and disclosures

The Foundation applied IFRS 16 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

Several other amendments and interpretations apply for the first time in 2019, but do not have an impact on the financial statements of the Foundation. The Foundation has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

#### *IFRS 16 Leases*

IFRS 16 was issued in January 2016 and supersedes IAS 17 *Leases*, IFRIC 4 *Determining whether an Arrangement contains a Lease*, SIC-15 *Operating Leases-Incentives* and SIC-27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Foundation adopted IFRS 16 using the modified retrospective method with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Foundation elected to apply the standard only to contracts that were previously identified as leases applying IAS 17 and IFRIC 4. The Foundation will therefore not apply the standard to contracts that were not previously identified as containing a lease applying IAS 17 and IFRIC 4. The Foundation also elected to use the exemptions on lease contracts for which the lease terms ends within 12 months as of the date of initial application, and lease contracts for which the underlying asset is of low value.

The Foundation mainly leases office workspace, that are accounted for in accordance with IFRS 16 as from 1 January 2019 and were previously accounted for as operating leases under IAS 17.

The Foundation recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application or the interest rate implicit in the lease when available.

The Foundation also applied the available practical expedients wherein it:

- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application



- Applied the low value exemption to leases for which the underlying assets value is lower than 5.000 EUR
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

The effect of adoption of IFRS 16 as at 1 January 2019 is an [increase] of total assets by 56.265 EUR for the right-of-use assets, and an [increase] of total liabilities by 56.265 EUR for the lease liabilities. The net effect of these adjustments had been adjusted to retained earnings (0 EUR).

The lease liabilities as at 1 January 2019 can be reconciled to the operating lease commitments as of 31 December 2018 as follows:

Items	EUR
Operating lease commitments as at 31 December 2018	72.000
Other (difference in expected lease term)	(13.000)
Subtotal	59.000
Discounting effect as at 1 January 2019	(2.735)
Discounted lease liability as at 1 January 2019	56.265

The weighted average incremental borrowing rate applied to lease liabilities at the date of initial application is 2%.

## 2.4. Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Foundation's financial statements are disclosed below. The Foundation intends to adopt these standards and interpretations, if applicable, when they become effective.

- *Amendments to References to the Conceptual Framework* in IFRS Standards, effective 1 January 2020
- *Amendments to IFRS 3 Business Combinations – Definition of a business*, effective 1 January 2020
- *Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – Definition of material*, effective 1 January 2020
- *Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures – Interest Rate Benchmark Reform*, effective 1 January 2020
- *Amendments to IAS 39 Financial Instruments: Recognition and measurement and IFRS 7 Financial Instruments: Disclosures – Interest Rate Benchmark Reform*, effective 1 January 2020

- IFRS 17 *Insurance Contracts*, effective 1 January 2021
- *Amendments to IAS 1 - Classification of Liabilities as Current or Non-Current*, effective 1 January 2022

### **3. Critical accounting estimates and judgments**

The preparation of the Foundation's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of asset or liability affected in future periods.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Foundation based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Foundation. Such changes are reflected in the assumptions when they occur.

#### **Determining the lease term of contracts with renewal options**

The Foundation determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. For extension options, the Foundation applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal.

After the commencement date, the Foundation reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

#### **Recovery order European Parliament Grant**

The external auditor and/or auditor of the European Parliament can reject expenditure of the Foundation if not eligible. This can result in a recovery order being issued to the Foundation and

hence a reimbursement of a portion of the grant. If this is the case, the Foundation sets up a liability at year end. In December 2019 this liability amounts to EUR 0 (2018: EUR 148.750).

#### 4. Revenue from contracts with customers

The line item “Revenue from contracts with customers” in the income statement relates to:

EUR	2019	2018
<b>Type of revenue</b>		
Membership fees:		
- From associate members	23.250	45.000
<b>Total revenue from contracts with customers</b>	<b>23.250</b>	<b>45.000</b>
<b>Geographical market</b>		
Membership fees:		
- From Poland	-	4.000
- From France	8.000	12.000
- From Rep de San Marino	2.000	4.000
- From Italy	6.000	12.000
- From Rep Slovenia	-	3.000
- From Spain	4.000	8.000
- From Cyprus	1.250	2.000
- From Germany	2.000	-
<b>Total revenue from contracts with customers</b>	<b>23.250</b>	<b>45.000</b>

The revenue of the membership fees is recorded over time as the service is delivered throughout the year. The trade receivables amount to EUR 0 at 31 December 2019 (EUR 0 in 2018). These receivables are non-interest bearing and are generally on terms of 60 days. In 2019 EUR 0 (EUR 0 2018) was recognized as a provision on ECL on trade receivables.

#### 5. Other income

The line item “Other income” in the income statement relates to:

EUR	2019	2018
<b>Other income</b>		
European Parliament Grant	344.234	227.862
EP Carry-over	27.138	-
<b>Total other income</b>	<b>371.372</b>	<b>227.862</b>

## 6. Expenses by nature and other operating income

A breakdown of the “General and administrative expenses” by nature can be found in the table below:

EUR	2019	2018
Advertising and promotional costs	1.479	-
Wages and salaries	94.375	73.426
Social security costs	16.344	13.173
Employer related costs – car, training and others	2.376	4.348
Utilities and maintenance	1.570	1.919
Accounting cost	12.920	8.752
Office cost	2.983	1.811
IT, phone & internet	1.736	1.972
Website	3.838	3.754
Meetings and representation costs	34.386	34.271
Documentation	71	84
Information and publication costs	13.463	13
Event costs	158.056	108.372
Research and development costs	36.300	8.000
Depreciation property, plant and equipment	544	474
Depreciation of right of use offices	11.444	-
Rent office	-	12.000
Fees translators and others	2.924	359
Other	-	253
<b>Total</b>	<b>394.809</b>	<b>272.981</b>

A breakdown of the “Other operating income/(expenses) - net” by nature can be found in the table below. The income is presented with a negative sign and the expenses are presented with a positive sign.

EUR	2019		2018	
	Other operating (income)	Other operating expenses	Other operating (income)	Other operating expenses
Social security and other taxes	(1.055)	-	(755)	-
Other (income)/expense	-	-	(253)	-
<b>Total</b>	<b>(1.055)</b>	<b>-</b>	<b>(1.008)</b>	<b>-</b>

## 7. Finance income and costs

EUR	2019	2018
<b>Finance income</b>		
Interest income on:		
Other interest income	11	-
<b>Total finance income</b>	<b>11</b>	<b>-</b>
<b>Finance costs</b>		
Leases interest expenses	921	-
Bank charges	323	636
<b>Total finance costs</b>	<b>1.244</b>	<b>636</b>

## 8. Employee benefit expense

EUR	2019		2018	
	Included in General and administrative expenses	Included in Other operating income/expenses	Included in General and administrative expenses	Included in Other operating income/expenses
Wages and salaries	94.375	-	73.426	-
Social security costs	16.344	-	13.173	-
Employer related costs	2.376	-	4.348	-
<b>Total employee benefit expense</b>	<b>113.095</b>	<b>-</b>	<b>90.947</b>	<b>-</b>

	2019	2018
Average number of employees - head office	2	2
<b>Total average number of employees</b>	<b>2</b>	<b>2</b>

## 9. Property, plant and equipment

EUR	Furniture and material	Right-of-use offices	Total
<b>At 1 January 2018</b>			
Cost or valuation	3.475	-	3.475
Accumulated depreciation, impairments and other adjustments	(2.722)	-	(2.722)
<b>Opening net book value at 1 January 2018</b>	<b>753</b>	<b>-</b>	<b>753</b>
<b>Period ended 31 December 2018</b>			
Additions	-	-	-
Disposals	-	-	-
<b>Closing Cost or Valuation at 31 December 2018</b>	<b>3.475</b>	<b>-</b>	<b>3.475</b>
Accumulated depreciation on disposals	-	-	-
Depreciation charge for the year	(474)	-	(474)
<b>Closing Accumulated depreciation, impairments and other adjustments at 31 December 2018</b>	<b>(3.196)</b>	<b>-</b>	<b>(3.196)</b>
<b>Closing net book value at 31 December 2018</b>	<b>279</b>	<b>-</b>	<b>279</b>
<b>Period ended 31 December 2019</b>			
Initial application of IFRS 16 as of 1 January 2019	-	56.265	56.265
Additions	1.059	-	1.059
Disposals	-	-	-
<b>Closing Cost or Valuation at 31 December 2019</b>	<b>4.533</b>	<b>56.265</b>	<b>60.799</b>
Accumulated depreciation on disposals	-	-	-
Depreciation charge for the year	(544)	(11.444)	(11.988)
<b>Closing Accumulated depreciation, impairments and other adjustments at 31 December 2019</b>	<b>(3.740)</b>	<b>(11.444)</b>	<b>(15.184)</b>
<b>Closing net book value at 31 December 2019</b>	<b>793</b>	<b>44.821</b>	<b>45.615</b>

The significant increases or decreases of the years are explained by: the Foundation has a lease contract for an office, with a lease term till 30/11/2023.



## 10. Financial assets and financial liabilities

### a) Financial assets

Financial assets	31 December 2019	31 December 2018
	EUR	EUR
Debt instruments at amortised cost		
Trade and other receivables (Note 13)	-	688
<b>Total financial assets</b>	<b>-</b>	<b>688</b>
<b>Total current</b>	<b>-</b>	<b>688</b>
<b>Total non-current</b>	<b>-</b>	<b>-</b>

### b) Financial liabilities: Borrowings

Financial Liabilities	31 December 2019	31 December 2018
	EUR	EUR
Other financial liabilities at amortised cost, other than interest-bearing loans and borrowings		
Trade and other payables (Note 15)	28.987	16.830
European Parliament grant (Note 15)	226.302	175.888
<b>Total other financial liabilities</b>	<b>255.289</b>	<b>192.718</b>
<b>Total current</b>	<b>255.289</b>	<b>192.718</b>
<b>Total non-current</b>	<b>-</b>	<b>-</b>

	Interest rate	Maturity	31 December 2019	31 December 2018
	%		EUR	EUR
<b>Current interest-bearing loans and borrowings</b>				
Leasing liabilities	2,00	2020	11.206	-
<b>Total current interest-bearing loans and borrowings</b>			<b>11.206</b>	<b>-</b>
<b>Non-current interest-bearing loans and borrowings</b>				
Leasing liabilities	2,00	2021-2023	33.980	-
<b>Total non-current interest-bearing loans and borrowings</b>			<b>33.980</b>	<b>-</b>
<b>Total interest-bearing loans and borrowings</b>			<b>45.186</b>	<b>-</b>

**c) Fair Values**

	31 December 2019		31 December 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
	EUR	EUR	EUR	EUR
<b>Financial assets</b>				
Non-current financial assets	-	-	-	-
Trade receivables	-	-	688	688
<b>Total</b>	<b>-</b>	<b>-</b>	<b>688</b>	<b>688</b>
<b>Financial liabilities</b>				
Leasing liabilities	45.186	45.186	-	-
Trade and other payables	255.289	255.289	192.718	192.718
<b>Total</b>	<b>300.475</b>	<b>300.475</b>	<b>192.718</b>	<b>192.718</b>

The Party has mainly short term financial assets and financial liabilities for which the carrying amount is a reasonable approximation of the fair value. Moreover the carrying amount of leasing liabilities is also a reasonable approximation of the fair value.

**11. Financial risk management**

**a) Financial risk factors**

The Foundation's principal financial liabilities comprise loans and borrowings, lease liabilities, and trade and other payables. The main purpose of these liabilities is to finance the Foundation's operations. The Foundation's principal financial assets include trade receivables, and cash and short term deposits that derive directly from its operations. The Foundation is exposed primarily to market risk, currency risk and liquidity risk. Foundation's managers oversee the management of these risks.

The Foundation's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Foundation's financial performance. The objective is to identify, quantify, manage and then monitor events or actions that could lead to financial losses.

**Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk and foreign exchange risk. The Foundation's interest rate risk is limited given the short term nature of the borrowings.

#### *Foreign exchange risk*

The Foundation's exposure to the risk of changes in foreign exchange rates relates primarily to the Foundation's operating activities. Foreign exchange risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Foundation's exposure to foreign currency changes for all other currencies is not material.

#### **Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Foundation is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions.

#### *Credit risk from operating activities*

The trade receivables balance contain the member Foundation contributions to be received. The impairment policy of the Foundation is to write-off receivables as soon as they remain unpaid for two years. When members are excluded, the related receivable is often waived and written-off.

For its receivables, the Foundation has policies to ensure that her receivables on member parties or members are closely monitored by the finance department. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e. customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than two years and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Group does not hold collateral as security.

The foundation has no historic of credit loss on trade receivable, therefore no exposure to credit loss.

*Credit risk from financing activities*

Credit risk from balances with banks and financial institutions is managed by the Foundation's finance department in accordance with the Foundation's policy. The Foundation's maximum exposure to credit risk for the components of the statement of financial position at 31 December 2019 and 2018 is the carrying amounts as illustrated in Note 10.

**Liquidity risk**

The Foundation monitors its risk of a shortage of funds using a liquidity planning tool. The amounts disclosed in the table are the contractual undiscounted cash flows.

At 31 December 2019 (EUR)	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Borrowings					
Trade and other payables	28.987	-	-	-	28.987
Leasing liabilities	12.000	12.000	23.000	-	47.000
European Parliament grant	226.302	-	-	-	226.302
At 31 December 2018 (EUR)	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Borrowings	-	-	-	-	-
Trade and other payables	16.830	-	-	-	16.830
Leasing Liabilities	-	-	-	-	-
European Parliament grant	175.888	-	-	-	175.888

Changes in liabilities arising from financing activities are shown in the table below:

	1 January 2019 EUR	Cash outflows EUR	Cash inflows EUR	IFRS 16 impact EUR	31 December 2019 EUR
Current leasing liabilities	-	(11.079)	-	22.285	11.206
Non-current leasing liabilities	-	-	-	33.980	33.980
<b>Total liabilities from financing activities</b>		(11.079)		56.265	45.186

## b) Capital management

The Foundation's objectives when managing capital are to safeguard the Foundation's ability to continue as a going concern:

EUR	31 December 2019	31 December 2018
Cash and cash equivalents - note 14	268.516	205.772
Less: total borrowings -	-	-
<b>Net cash</b>	<b>268.516</b>	<b>205.772</b>

## 12. Joint Operations

The Foundation has a 50 % part in a joint arrangement with the Member Foundations or third Foundation for which they conduct together joint projects, such as: conferences, debates, research papers, internal trainings, public events, etc. The Foundation will call for proposals to partners and choose projects that will go through an approval process with the executive board. Once the project is approved they implement the project together with their partner. The portion of the cost covered by the Member Foundations or third Foundation is set off against the income flowing from the Member Foundation or third Foundation.

### 13. Trade and other receivables

EUR	31 December 2019	31 December 2018
Trade receivables	-	-
Credit note to receive	-	688
<b>Total trade and other receivables</b>	<b>-</b>	<b>688</b>
Non-current portion	-	-
Current portion	-	688

### 14. Cash and cash equivalents

EUR	31 December 2019	31 December 2018
Cash at banks and on hand	268.516	205.772
<b>Total cash and cash equivalents (excluding bank overdrafts)</b>	<b>268.516</b>	<b>205.772</b>

Cash and cash equivalents include the following for the purposes of the statement of cash flows:

EUR	31 December 2019	31 December 2018
Cash and cash equivalents	268.516	205.772
Bank overdrafts	-	-
<b>Cash and cash equivalents (including bank overdrafts)</b>	<b>268.516</b>	<b>205.772</b>

### 15. Trade and other payables

EUR	31 December 2019	31 December 2018
Trade payables	-	1.343
Social security and other taxes	297	494
Accrued expenses and deferred income	28.690	12.493
European Parliament Grant	226.302	175.888
Other liabilities	-	2.500
<b>Total Trade and other payables</b>	<b>255.289</b>	<b>192.718</b>
Non-current portion	-	-
Current portion	255.289	192.718

The trade and other payables of the Foundation are current financial liabilities and are non-interest bearing and are normally settled on 30 day terms.

The movement of the European Parliament Grant of the period is further detailed in the table below:

At 1 January (EUR)	31 December 2019	31 December 2018
At 1 January	175.888	462.361
Release to the statement of profit or loss	(344.234)	(376.612)
Carry-over 2018	(27.138)	-
Recovery order 2018 grant	-	148.750
Reimbursement 2017 grant	-	(58.611)
Grant awarded	421.786	-
<b>At 31 December</b>	<b>226.302</b>	<b>175.888</b>

## 16. Events after the reporting date

### 1) COVID-19 Crisis:

During the first half of 2020, the coronavirus outbreak has had huge impacts on the EU economy. In response to the pandemic worldwide spread, many governments in affected jurisdictions imposed travel bans, quarantines and other emergency public safety measures. In almost all EU countries, governments have imposed restrictions on travel and the movement and gathering of people. As a non-adjusting event, the outbreak of the coronavirus does not require any adjustments to the figures reported in these annual accounts.

For subsequent reporting periods, COVID-19 seems to not affect the recognition and measurement of assets and liabilities on the balance sheet and also of revenue and expenses recognized in the statement of financial performance. The planned events and meetings were cancelled without any consequences, and the Institute of European Democrats expects to collect from the members the usual revenues due to the membership fees. Therefore, the impact of COVID-19 on the financial performance should not be significant for the reporting year 2020. Based on the information available at the date of signature of these annual accounts, the financial effects of the COVID-19 outbreak are estimated as follows. The situation doesn't affect the ability of the entity to continue as a going concern. The Board planned a program of activities and events based on the new situation and evaluated all the possible measures to keep the full operational capacity and to sustain IED's going concern.

2) Brexit:

On 31 January 2020, the United Kingdom withdrew from the European Union. At present, negotiations for a new partnership with the United Kingdom of Great Britain and Northern Ireland are ongoing. The Institute of European Democrats estimates that this event will not have a significant impact on the operations and financial situation of the entity.

