

**STATUTORY AUDITOR'S REPORT
ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009
OF THE ASSOCIATION "ELDR PARTY"**

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

Unqualified audit opinion on the financial statements

We have audited the financial statements for the year ended 31 December 2009, prepared in accordance with the financial reporting framework applicable in Belgium, which show a balance sheet total of € 1,751,472.80 and a profit for the year of € 9,531.42.

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

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

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

In our opinion, the financial statements for the year ended 31 December 2009 give a true and fair view of the association's assets and liabilities, its financial position and the results of its operations, in accordance with the financial reporting framework applicable in Belgium.

Bureaux à Antwerpen, Bruxelles, Hasselt, Leuven, Louvain-la-Neuve, Mechelen, Namur, Turnhout et Verviers. Internet: www.dgst.be.
Association DGST-CDO des réviseurs Michel DE WOLF, Marc GILSON, Michaël DE RIDDER, John DEVUYST, Pierre SOHET,
Etienne DEBAEKE, Michel LECOQ, Brigitte NEUVILLE, Martine PIRET, Jacques BASTOGNE, Myriam BOUTON,
Philippe PUISSANT, Régis VAN CAILLIE, Marie-Chantal LEDDET, Freddy CALUWAERTS, Luc DE PUYSELEYR,
Luk OSTYN, Etienne LELIE, Carine BALLEET, Wery MERCKEN et Michel HOFMAN, et de leurs sociétés de révision.
Réviseurs honoraires Jean THIEREN et Michel GATZ. Associée non réviseur Michelle ALBERT.
Membres de *International Eurogroup Consult*. Correspondants dans 38 pays.

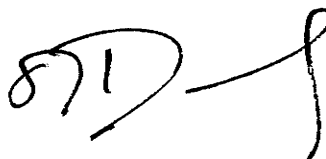
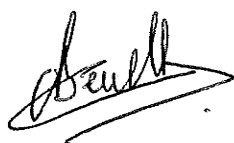
Additional statements and information

The compliance by the association with the law of 27 June 1921 related to not-for-profit associations, international not-for-profit associations and foundations is the responsibility of management.

Our responsibility is to supplement our report with the following additional statements and information, which do not modify our audit opinion on the financial statements:

- Without prejudice to formal aspects of minor importance, the accounting records were maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- There are no transactions undertaken or decisions taken in violation of the association's by-laws or the law of 27 June 1921 related to not-for-profit associations, international not-for-profit associations and foundations that we have to report to you.
- The financial documents submitted by the ELDR Party to the Parliament are consistent with the financial provisions of the grant agreement, i.e.
 - a) The expenditure declared was actually incurred and the statement of revenue is exhaustive.
 - b) The obligations arising out of Articles 6, 7, 8, 9 (2) and 10 (2) of Regulation (EC) N° 2004/2003 have been met.
 - c) Any surplus carried over the next financial year has been used in the first quarter of the financial year, pursuant to Article 6a of the bureau decision.
 - d) The obligations arising out of Article 109(4) of the Regulation have been met.
 - e) The financial statements as of and for the year, ended 31 December 2009, show a profit for the eligible period of 9.531,42 €. The result is realized by 1,558,773.67 € of revenues and 1,549,242.25 € of costs, including 50,012.54 € of non-eligible costs.
 - f) The funding of the European Parliament does not exceed the budget of the ELDR Party on European level for the eligible period. The eligible expenses amount to 1,499,229.71 EUR. The ELDR Party received, until now, a prepayment of 943,352.80 EUR from the European Parliament.
 - g) The upper limit of 85% of the eligible expenses has been respected. The remainder of 235,838.20 EUR is to be received from the European Parliament.
 - h) We have checked that the expenditure of 107,272.26 € relating to the election campaigns have been done according to the Code of Conduct governing the practice of campaigning for European Political parties in European Parliament elections.
- We have received all necessary explanations for the purpose of our work.

Place and date of closing our main audit works: Brussels, March 12, 2010.



“DGST & Partners – réviseurs d’entreprises”, ScivPRL,
represented by Brigitte Neuville and Michel De Wolf.

**ELDR Party AISBL
Rue Montoyer 31 – 7th Floor
1000 Brussels**

**BALANCE SHEET AND INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2009**

E.L.D.R. Party

31/12/2009

ASSETS

FIXED ASSETS

II. Intangible fixed assets		14.755,45
III. Tangible fixed assets		908.517,26
A. Land and buildings	861.953,15	
B. Plant, machinery and equipment	19.642,75	
C. Furniture and vehicles	26.921,36	
IV. Financial fixed assets		250,00

CURRENT ASSETS

VII. Amounts receivable within one year		271.104,88
A. Trade debtors		
B. Other amounts receivable	271.104,88	
IX. Cash at bank and in hand		555.169,06
X. Deferrals and accruals		1.676,15

TOTAL ASSETS

1.751.472,80

EQUITY AND LIABILITIES

EQUITY

I. Capital		1.027.771,81
A. Issued capital	1.027.771,81	
IV. Reserves		22.500,00
C. Untaxed reserves	22.500,00	
V. Accumulated profits (or losses (-))	75.827,48	85.358,90
Profit of the year 2009	9.531,42	

AMOUNTS PAYABLE

VIII. Amounts payable after more than one year		395.833,50
A. Financial debts		
1. Credit institutions, leasing,...	395.833,50	
IX. Amounts payable within one year		218.377,87
A. Current portion of amounts payable after more than one year falling due within one year	24.999,96	
C. Trade debts	96.545,70	
E. Taxes, remunerations and social security	96.832,21	
X. Deferred charges and accrued income		1.630,72

TOTAL LIABILITIES

1.751.472,80

E.L.D.R. Party

INCOME STATEMENT

I. Turnover & Cost of goods

1. Operating income		1.555.318,10
A. Grant European Parliament	1.181.147,00	
Own ressources	359.171,10	
D. Other operating incomes	15.000,00	
2. Operating charges		1.519.294,71
B. Services and other goods	753.542,18	
C. Remuneration, social security and pensions	674.070,06	
D. Depreciation of and other amounts written down	66.741,40	
G. Other operating charges	24.941,07	
3. Operating profit or loss (-)		36.023,39

II. Financial income and charges

4. Financial income		
A. Income from financial fixed assets	3.455,57	
5. Financial charges		
A. Debt charges, and other	29.947,54	
6. Gain (loss) on ordinary activities before taxes		9.531,42
7. Extrordinary income		
8. Extrordinary charges		
9. Gain (loss) of the period		<u>9.531,42</u>

Overview Donations Received 2009

- BAYER Schering Pharma AG 5.000,00 EUR

ANNEX

Annex: Breakdown of the revised operating budget 2009

EXPENDITURE		Budget	Actual	REVENUE		Budget	Actual
Eligible expenditure							
A.1: Personnel costs		666,600.00	674,070.06	D.1 Dissolution of "Provision to cover eligible costs to be incurred in the first quarter of N+1"			
1. Salaries		642,600.00	630,034.97	D.2 European Parliament grant		1,179,191.00	1,179,191.00
2. Contributions		10,000.00	3,603.48	D.3 Membership fees		345,000.00	296,990.68
3. Professional training		10,000.00	6,097.35	3.1 from member parties			
4. Staff mission expenses		24,000.00	34,334.26	3.2. from individual members			
5. Other personnel costs		188,200.00	175,165.86	D.4 Donations		0.00	5,000.00
A.2: Infrastructure and operating costs		37,000.00	39,058.09	4.1 above 500 EUR			5,000.00
1. Rent, charges and maintenance costs		24,000.00	22,013.53	4.2 below 500 EUR			
2. Costs relating to the installation, operation and maintenance of equipment		68,200.00	62,741.40	D.5 Other own resources (to cover eligible expenditure) (to be listed)		78,159.00	27,579.45
3. Depreciation of movable and immovable property		8,000.00	9,130.93	reimbursements		2,000.00	
4. Stationery and office supplies		32,000.00	23,759.94	rent		1,500.00	
5. Postal and telecommunications charges		18,000.00	18,461.97	amount transferred from own reserves		74,659.00	
6. Printing, translation and reproduction costs		1,000.00					
7. Other infrastructure costs		45,000.00	47,082.24				
A.3: Administrative expenditure		1,000.00	734.00				
1. Documentation costs (newspapers, press agencies, databases)		2,000.00	4,677.68				
2. Costs of studies and research		11,000.00	10,570.56				
3. Legal costs		31,000.00	31,000.00				
4. Accounting and audit costs		100.00					
5. Support to affiliated organisations and subsidies to third parties		474,250.00	425,436.90				
6. Miscellaneous administrative costs		414,250.00	394,131.37				
A.4: Meetings and representation costs		40,000.00	25,788.72				
1. Costs of meetings of the political party		20,000.00	5,395.83				
2. Participation in seminars and conferences		192,800.00	177,474.65				
3. Representation costs		20,000.00	21,109.62				
4. Cost of invitations		16,000.00	14,817.36				
5. Other meeting-related costs		18,200.00	9,159.66				
A.5: Information and publication costs		24,000.00	24,890.61				
1. Publication costs		114,600.00	107,272.26				
2. Creation and operation of internet sites			224.94				
3. Publicity costs							
4. Communications equipment (gadgets)							
5. Seminars and exhibitions							
6. Election campaigns ¹							
7. Other information-related costs							
A.6: Expenditure relating to contributions in kind							
A.7: Allocation to "Provision to cover eligible expenditure to be incurred in the first quarter of N+1"							
A. TOTAL ELIGIBLE EXPENDITURE		1,586,850.00	1,499,229.71	D. REVENUE (to cover eligible expenditure)		1,602,350.00	1,508,761.13
B.1: Non-eligible expenditure		37,500.00	50,012.94	E.1 Additional other own resources (to cover non-eligible expenditure) (to be listed)			50,012.94
1. Allocations to other provisions		22,000.00	20,237.28	bank interest and rent		22,000.00	4,000.00
2. Financial charges		15,500.00	29,775.26	member party contributions			46,012.94
3. Exchange losses		37,500.00	50,012.94	E. REVENUE (to cover non-eligible expenditure)		22,000.00	50,012.94
4. Doubtful claims on third parties				F. TOTAL REVENUE		1,624,350.00	1,558,773.67
5. Others (to be specified)		1,624,350.00	1,549,242.29	G. Profit/loss (F-C)		0.00	9,531.42
C. TOTAL EXPENDITURE							
H.1 Allocation of own resources to the specific reserve account¹							
H. Profit/loss for verifying compliance with the no-profit rule (G-H.1)¹		0.00	9,531.42				

¹: Not applicable to political foundations at European level