

**ANNUAL REPORT BY THE  
GUE/NGL GROUP  
TO THE EUROPEAN PARLIAMENT**



**GUE/NGL**

Gauche Unitaire Européenne/Gauche Verte Nordique  
European United Left/Nordic Green Left  
*Groupe Parlementaire · Parliamentary Group*  
PARLEMENT EUROPEEN · EUROPEAN PARLIAMENT

**BUDGET ITEM 4000**

**BUDGET PERIOD 2009-2**

**GUE/NGL**  
**Gauche Unitaire Européenne/Gauche Verte Nordique**  
**European United Left/Nordic Green Left**

**AUDITOR'S REPORT**

**Unqualified Auditor's Report**

According to the audit mandate, we have audited the GUE/NGL Financial Statement prepared by the Group Accountant for the budget period 2009-2 ending 31/12/2009 as laid out in pages 1 to 13 of this document.

***Respective responsibilities of the Group and the Auditors***

Pursuant to the rules on the use of appropriation from Budget Item 4000 (hereafter "the Rule"), the Group is responsible before the Institution of the conformity of appropriation usage and of the preparation of the group annual financial statements.

We have the responsibility to plan and carry out the required work to verify the financial statement prepared by the political group and to report to the Group with a reasonable assurance our audit opinions.

***Basis of Opinions***

We conducted the audit in accordance with International Standards on Auditing as issued by the IASSB. This standard requires the auditor to plan and carry out his work in such a way as to obtain sufficient and appropriate evidence and explanations to support our audit opinions. An audit includes an examination, on a sample basis, of evidence relevant to the opinions.

The audit work included specific procedures aiming at gathering sufficient and appropriate audit evidence that:

- Expenditures have been charged to the correct item in the budget of the Group;
- Appropriations are available;
- Expenditures are conformed to the Rules governing appropriation item 4000;

- Principles of sound financial management have been applied;
- Payment orders are supported by original documentations (or certified true copies);
- Accounts have been laid out in accordance with the harmonised chart of account;
- Accounts have been prepared in accordance with generally accepted accounting principles as laid out in articles 186 to 196 of the Implementing Rules or, that departures are adequately explained by means of note to the prepared accounts.

### Opinions

- As a result of our work, we did not identify any material non-conformity with the dispositions laid out in the Rule governing appropriation item 4000 or with the Group's internal rules;
- The overall presentation of the income and expense statement and of the balance sheet complies with the chart of account provided with the rules governing the appropriation line 4000;
- No departures from generally accepted accounting principles have been established;
- The principle of sound financial management has been applied;
- In our opinion, the balance sheet gives a true and fair view of the state of affairs of the Group at 31/12/2009 and of the revenue and expenses for the 6 months ending 31/12/2009;
- We have received all necessary explanations for the purpose of our work.

Zaventem, April 12, 2010

RSM InterAudit  
Legally represented by



Bernard de Grand Ry  
Registered Auditor  
Partner



Karine Morris  
Registered Auditor  
Partner

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**BALANCE SHEET Group GUE/NGL**  
**End of financial year 2009 (31/12/2009)**

	<i>notes</i>	<u>31/12/09</u>	<u>30/06/09</u>
<b>ASSETS</b>			
<b>FIXED ASSETS</b>			
<i>Chapter 1 Intangible and tangible assets</i>	3		
.1 Intangible assets		0,00	0,00
.2 Tangible assets		2.761,12	2.278,90
<b>Subtotal chapter 1</b>		<u>2.761,12</u>	<u>2.278,90</u>
<b>CURRENT ASSETS</b>			
<b>Chapter 2 Debtors, stocks and other working assets</b>	5		
.1 Suppliers		208,03	0,00
.2 Staff		4000,00	0,00
.3 VAT		105.176,00	86.452,02
.4 Stocks		0,00	0,00
.5 Various		0,00	0,00
<b>Subtotal chapter 2</b>		<u>109.384,03</u>	<u>86.452,02</u>
<i>Chapter 3 Financial assets</i>			
.1 Financial securities	4	0,00	0,00
.2 Cash and cash equivalent		1.043.729,18	1.207.720,24
<b>Subtotal chapter 3</b>		<u>1.043.729,18</u>	<u>1.207.720,24</u>
<b>Chapter 4 Deferred charges and accrued income</b>			
.1 Deferred charges		0,00	0,00
.2 Accrued income		1,85	0,00
<b>Subtotal chapter 4</b>		<u>1,85</u>	<u>0,00</u>
<b>TOTAL ASSETS</b>		<u>1.155.876,18</u>	<u>1.296.451,16</u>

**BALANCE SHEET Group GUE/NGL**  
**End of financial year 2009 (31/12/2009)**

<b>LIABILITIES</b>	<i>notes</i>	<u><b>31/12/09</b></u>	<u><b>30/06/09</b></u>
<b>Chapter 1 Reserves</b>			
.1 Carry forward to next financial year	1	1.057.161,90	1.267.209,40
<b>Subtotal chapter 1</b>		<u>1.057.161,90</u>	<u>1.267.209,40</u>
<b>Chapter 2 Financial debts</b>			
.1 Financial debts of a residual duration > 1 year		0,00	0,00
.2 Financial debts of a residual duration </= 1 year		0,00	0,00
<b>Subtotal chapter 2</b>		<u>0,00</u>	<u>0,00</u>
<b>Chapter 3 Other debts</b>			
.1 Other debts	6	0,00	0,00
.2 Charges settled in N but paid in N+1		98.714,28	27.726,76
<b>Subtotal chapter 3</b>		<u>98.714,28</u>	<u>27.726,76</u>
<b>Chapter 4 Deferred income/accrued charges</b>			
.1 Deferred income		0,00	1.515,00
.2 Accrued charges		0,00	0,00
<b>Subtotal Chapter 4</b>		<u>0,00</u>	<u>1.515,00</u>
<b>TOTAL LIABILITIES</b>		<u>1.155.876,18</u>	<u>1.296.451,16</u>

**PROFIT AND LOSS ACCOUNT of the GUE/NGL Group**  
**for budgeting period 2009/2 ( period from 01/07/2009 to 31/12/2009)**

	<i>notes</i>	<u>Period</u> <u>2009/2</u>	<u>Period</u> <u>2009/1</u>
<b><u>Receipts</u></b>			
<i>Chapter 1 Grants and other receipts from the European Parliament</i>			
.1	EP allocation	1.240.390,00	1.432.287,00
.2	Other EP resources	0,00	0,00
<b>Subtotal for Chapter 1</b>		<u>1.240.390,00</u>	<u>1.432.287,00</u>
<i>Chapter 2 Own resources</i>			
.1	Interest and assimilated products	2.135,15	7.178,58
.2	Profit on currency exchange	386,46	0,00
.3	Miscellaneous	0,00	0,00
.4	VAT reimbursements	0,00	0,00
.5	Amount carried forward from previous financial year	1.267.209,40	1.476.930,79
<b>Subtotal for Chapter 2</b>		<u>1.269.731,01</u>	<u>1.484.109,37</u>
<b>TOTAL RECEIPTS</b>		<u>2.510.121,01</u>	<u>2.916.396,37</u>
<b>GRAND TOTAL</b>		<u>2.510.121,01</u>	<u>2.916.396,37</u>

**PROFIT AND LOSS ACCOUNT of the GUE/NGL Group**  
**for budgeting period 2009/2 ( period from 01/07/2009 to 31/12/2009)**

<u>Expenditure</u>	<i>notes</i>	<u>Period 2009/2</u>	<u>Period 2009/1</u>
<i>Chapter 1 Staff</i>			
.1 Secretariat missions		157.638,20	203.788,86
.2 Recruitment		581,18	0,00
.3 Traineeships		7.163,54	16.097,32
.4 Salaries and related costs, fees		29.799,64	18.362,59
.5 Staff training		675,00	2.283,50
.6 Staff representation costs		0,00	0,00
<b>Subtotal for Chapter 1</b>		<u>195.857,56</u>	<u>240.532,27</u>
<i>Chapter 2 Equipment, routine administrative costs and operating costs</i>			
.1 Equipment, operating expenditure, computer-related engineering and maintenance	3	55,75	1.780,04
.2 Equipment, telecommunications-related installation and maintenance expenditure, office machinery, furniture and technical installations	3	1.146,36	1.282,81
.3 Stationery and office supplies		1.535,41	3.756,89
.4 Postage and telecommunications		18.138,25	26.586,42
.5 Printing and photocopying costs		6.965,90	17.453,37
.6 Office rental costs		0,00	0,00
<b>Subtotal for Chapter 2</b>		<u>27.841,67</u>	<u>50.859,53</u>
<i>Chapter 3 Documentation, studies and research</i>			
.1 Newspapers, magazines, press agencies and books		12.623,28	8.768,33
.2 Studies and research		0,00	0,00
.3 Databases		0,00	0,00
<b>Subtotal for Chapter 3</b>		<u>12.623,28</u>	<u>8.768,33</u>
<i>Chapter 4 Legal and accountancy fees, financial and other charges</i>			
.1 Legal costs		0,00	0,00
.2 Accounting costs/audits		10.254,00	17.129,05
.3 Financial charges and losses from currency exchange	2	1.141,86	2.433,22
.4 Translation and interpretation costs		8.759,20	8.542,00
.5 Other operating expenditure		0,00	0,00
<b>Subtotal for Chapter 4</b>		<u>20.155,06</u>	<u>28.104,27</u>



**PROFIT AND LOSS ACCOUNT of the GUE/NGL Group  
for budgeting period 2009/2 ( period from 01/07/2009 to 31/12/2009)**

<u>Expenditure</u>	<i>notes</i>	<u>Period 2009/2</u>	<u>Period 2009/1</u>
<i>Chapter 5 Cost of meetings and representation</i>			
.1 Official Group meetings		31.304,54	17.581,33
.2 Other meetings and conferences		85.662,22	140.669,12
.3 Expenditure on entertainment		11.976,36	18.293,18
.4 Guests		10.542,66	19.692,72
.5 Individual fact finding missions of members		67.279,81	104.916,69
<b>Subtotal for Chapter 5</b>		<u>206.765,59</u>	<u>301.153,04</u>
<i>Chapter 6 Publications and publicity</i>			
.1 Posters, leaflets and booklets		27.857,90	44.606,06
.2 Advertising inserts and audiovisual advertising		15.913,92	28.270,00
.3 Advertising material, gadgets, publicity by telecommunication equipments		81.690,00	802,00
.4 Internet sites + e-publicity		30.724,60	4.376,47
.5 Visits to institutions, information stands		374,25	1.222,98
<b>Subtotal for Chapter 6</b>		<u>156.560,67</u>	<u>79.277,51</u>
<i>Chapter 7 Members of Parliament</i>			
.1 Members' political and information activities, administrative expenses and political and information activities of national delegations ( <i>details attached</i> )		833.155,28	940.492,02
<b>Subtotal for Chapter 7</b>		<u>833.155,28</u>	<u>940.492,02</u>
<i>Chapter 8 Grants, subscriptions and contributions</i>			
.1 Subsidies		0,00	0,00
.2 Subscriptions		0,00	0,00
<b>Subtotal for Chapter 8</b>		<u>0,00</u>	<u>0,00</u>
<b>Total expenditure</b>		<u>1.452.959,11</u>	<u>1.649.186,97</u>
Credits repayable to European Parliament		0,00	0,00
Amount carried forward to next financial year		1.057.161,90	1.267.209,40
<b>GRAND TOTAL</b>		<u>2.510.121,01</u>	<u>2.916.396,37</u>

## NOTES TO THE ACCOUNTS IN BUDGET PERIOD 2009-2

The accounts, hereafter, have been prepared in conformity with:

- The 4000 financial rules approved by the Bureau of the European Parliament on 30 June 2003 and revised by the Bureau on 22 March 2006 (PE 335.475/BUR) and on 11 July 2007.
- The internal financial rules of the Group.
- The accounting principles and the harmonized accounting plan adopted by the Secretaries-General of the political groups on 15/09/2005.

### Accounting principles

1. Movements on the accounts and the balances shall be entered in the accounting ledgers.
2. All accounting entries, including adjustments to the accounts, shall be based on dated and numbered supporting documents, to which they shall refer.
3. The accounting system must be such as to leave a trail for all accounting entries.

The financial statements shall be drawn up in accordance with the generally accepted accounting principles, namely:

- Going-concern basis;
- Prudence;
- Consistent accounting methods;
- Comparability of information;
- Materiality;
- No netting;
- Reality over appearance;

Pursuant to Rule 2.5.3 of the Rules on the use of appropriations from budget item 4000 the accounts are held on a modified accrual system.

All expenditure relative to activities of the current or previous financial years is registered in the accounts of the current year, upon authorization by the authorizing officer responsible and payment by the accountant, if the actual payment is made no later than during the month following the end of the financial year.

All expenditure of a financial year paid during the month following the end of the financial year is booked on the expenditure accounts of the current financial year with counterpart a balance account (chapter III.2).

All expenditure for which actual payment is made later than the end of the month following the closure of the financial period or for risks and future charges is registered in the accounts of the next financial year.

No provisions will be made for expenditure of the current financial year not paid by the end of the month following the end of this financial year or for risks and future charges.

All revenue is registered in the income accounts upon establishment by the authorizing officer.

All revenue established and not received in the course of the financial year is registered on a balance sheet account in chapter IV (deferred charges and accrued income).

#### **CLASSIFICATION**

The classification of the expenditure on the charge accounts follows the principle of classification by destination by the accounting plan annexed to the Rules on the use of appropriations from Article 4000.

**Note 1: Carry forward to next financial year:**

1: Credits received by our group for the 2009-1 budgeting period	€	1.432.287,00
Credits received by our group for the 2009-2 budgeting period	€	1.240.390,00
2: Maximum amount of carry forward to 2010 financial year	€	1.336.338,50
3: Remainder at the end of the 2009-2 budgeting period	€	1.057.161,90
4: Credits to be returned to the EP	€	0.00
5: Carry forward to 2010 financial year	€	1.057.161,90

**Note 2: Exchange policy:**

The revenue and expenditure in other currencies are converted in euro following the exchange rate of the day of the payment. The balance sheet accounts in other currencies are translated into euro at the exchange rate of the end of the budgeting period

**Note 3: Depreciations of fixed assets:**

Assets with a unit value of 420 Euros or more and being intended to serve the activities of the group on a lasting basis are entered in the inventory and the Group's balance sheet. Fixed assets are to be valued at their acquisition price and depreciated on a monthly basis following the straight line method by the following annual percentages:

software	25,0	%
hardware:	25,0	%
telecommunications and audiovisual equipment:	25,0	%
technical equipment:	12,5	%
other installations and machines:	12,5	%
office furniture:	10,0	%

A recapitulative table of the assets in the balance sheet is annexed.

**Note 4: Valuation method for financial securities:**

Non applicable

**Note 5: Valuation of receivables, debts and other assets:**

Receivables, debts and other assets are stated at their nominal value. Value reductions on receivables and other assets are accounted for if there is any uncertainty regarding their collectibility.

Our group has concluded the substantial long standing (>1 year) financial commitments, for the renting of 5 photocopiers:

- OCE Belgium, renting of 4 photocopiers for € 18.240,00 a year
- OCE France, renting of a photocopier for € 9.852,00 a year

**Note 6: Other debts – reimbursement to EP**

Not applicable

**Note 7: Comparison of figures**

According to article 2.1.1. one of the financial rules governing budget item 4000 this report covers the period 2009/2 which lasts from 01/07/2009 to 31/12/2009. The budgetary period 2009/1 lasted from 01/01/2009 to 30/06/2009.

## DETAIL OF THE EXECUTION OF THE DECENTRALISED CREDITS

### CHAPTER 7, ARTICLE 1

Ventilation following the accounting plan annexed to the 4000 financial rules.

Chapter / Article	Heading	Execution budget period 2009/2	%	Execution budget period 2009/1	%
1	Staff	50.576,84	6,07	59.978,59	6,38
2	Secretariat - equipment and expenses	0,00	0,00	0,00	0,00
3	Documentation, studies and research	21.460,66	2,58	47.262,27	5,03
4	Legal, accounting, financial and other operating costs	0,00	0,00	0,00	0,00
52	Other meetings and conferences	139.717,83	16,77	146.696,94	15,60
53	Representation costs	0,00	0,00	1.116,90	0,12
54	Guests	606,05	0,07	7.414,39	0,79
61	Posters, leaflets and booklets	245.816,37	29,50	413.523,70	43,97
62	Advertising inserts and audiovisual advertising	147.531,36	17,71	176.068,48	18,72
63	Advertising material, gadgets, publicity by telecommunication equipments	171.971,93	20,64	66.347,12	7,05
64	Websites Internet Sites + e-publicity	42.844,85	5,14	21.255,65	2,26
65	Visits to institutions , information stands	12.629,39	1,52	827,98	0,09
	<b>TOTAL ART. 7.1.</b>	<b>833.155,28</b>	<b>100,00</b>	<b>940.492,02</b>	<b>100,00</b>

Category and write-down rate		IT software		IT hardware		Telecom-munications equipment		Technical equipment and supplies		Miscellaneous machinery and installations		Movable property (seats, desks, cabinets)		Total	
		25% (€)	25% (€)	25% (€)	25% (€)	12.5% (€)	12.5% (€)	10% (€)	10% (€)	12.5% (€)	12.5% (€)	10% (€)	10% (€)	12.5% (€)	12.5% (€)
Historical cost	Opening balances 2009/2 (historical cost)	17.313,92	12.281,64	13.021,31	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	42.616,87
	Less Items sold and entered in profit-and-loss account in 2009/2	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
	Plus Acquisitions during the budgetary period 2009/2	0,00	0,00	1.275,66	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1.275,66
	Plus Transfers	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
	<b>Result</b> Closing balance at historical cost	17.313,92	12.281,64	14.296,97	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	43.892,53
Accumulated depreciation	Opening balances (accumulated depreciation)	-17.313,92	-12.225,89	-10.798,16	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	-40.337,97
	Less Accumulated depreciation of items sold and entered in p/l account	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
	Plus Depreciation charge for the budgetary period 2009/2	0,00	-55,75	-737,69	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	-793,44
	<b>Result</b> Closing balance at historical cost	-17.313,92	-12.281,64	-11.535,85	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Written-down values	<b>Net book value of fixed assets on 30/06/2009</b>	0,00	55,75	2.223,15	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	2.278,90
	<b>Net book value of fixed assets on 31/12/2009</b>	0,00	0,00	2.761,12	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	2.761,12