

**EUROPEAN LIBERAL FORUM ASBL  
RUE MONTOYER 31 - 7<sup>TH</sup> FLOOR  
B-1000 BRUSSELS  
BALANCE SHEET AND  
INCOME AND EXPENDITURE STATEMENT  
PER DECEMBER 31<sup>st</sup> 2008**

## ASSETS

31/12/2008

**FIXED ASSETS****3.287,05***I. Formation expenses**0,00**II. Intangible fixed assets**0,00**III. Tangible fixed assets**3.087,05*

## A. Land and buildings

0,00

## B. Plant, machinery and equipment

3.087,05

## C. Furniture and vehicles

0,00

*IV. Financial fixed assets: cash guarantees**200,00***CURRENT ASSETS****98.799,12***V. Amounts receivable after more than one year**VI. Stocks and contracts in progress**VII. Amounts receivable within one year**750,00*

## A. Receivables from member organisations

750,00

## B. Other amounts receivable

0,00

*VIII. Current investments**0,00**IX. Cash at bank and in hand**97.612,26**X. Deferrals and accruals**436,86***TOTAL ASSETS****102.086,17**

**EQUITY AND LIABILITIES****31/12/2008**

<b>EQUITY</b>	<b>0,00</b>
<i>I. Capital</i>	<i>0,00</i>
A. Social fund	0,00
<i>II. Share premium account</i>	<i>0,00</i>
<i>III. Revaluation surpluses</i>	<i>0,00</i>
<i>IV. Reserves</i>	<i>0,00</i>
C. Untaxed reserves	0,00
<i>V. Accumulated profits (losses)(+)/(-)</i>	<i>0,00</i>
<i>VI. Investment grants</i>	<i>0,00</i>
<i>Advance to associates on the sharing out of the assets</i>	<i>0,00</i>
<i>VII. Provisions and deferred taxes</i>	<i>0,00</i>
<b>AMOUNTS PAYABLE</b>	<b>102.086,17</b>
<i>VIII. Amounts payable after more than one year</i>	<i>0,00</i>
A. Financial debts	0,00
1. Credit institutions, leasing and other similar obligations	
<i>IX. Amounts payable within one year</i>	<i>102.086,17</i>
A. Surplus grant to be refunded due within one year	20.044,73
C. Trade debts	76.398,44
1. Suppliers	76.398,44
E. Taxes, remuneration and social security	5.643,00
2. Remuneration and social security	5.643,00
F. Other amounts payable	0,00
<i>X. Deferred charges and accrued income</i>	<i>0,00</i>
<b>TOTAL LIABILITIES</b>	<b>102.086,17</b>

**INCOME AND EXPENDITURE STATEMENT****31/12/2008****I. Operating income & charges**

<b>1. Operating income</b>	<b>211.170,64</b>
A. Grant European Parliament	171.855,61
Own Resources	39.315,03
D. Other operating income	0,00
<b>2. Operating charges</b>	<b>211.430,91</b>
B. Services and other goods	182.239,00
C. Remuneration, social security and pensions(+)/(-)	29.074,69
D. Depreciation of and other amounts written down formation expenses, intangible and tangible fixed assets	117,22
G. Other operating charges	0,00
<b>3. Operating profit (loss)(+)/(-)</b>	<b>-260,27</b>

**II. Financial income & charges**

<b>4. Financial income</b>	<b>331,04</b>
A. Income from financial fixed assets	0,00
C. Other financial income	331,04
<b>5. Financial charges</b>	<b>70,77</b>
A. Debt charges	0,00
C. Other financial charges	70,77
<b>6. Gain (loss) on ordinary activities before taxes(+)/(-)</b>	<b>0,00</b>

**III. Extraordinary income & charges**

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

EXPENDITURE		
Eligible expenditure	Budget	Actual
<b>A. 1: Personnel costs</b>	<b>29.000,00</b>	<b>29.074,69</b>
1 Salaries	25.000,00	27.534,33
2 Contributions	0,00	0,00
3 Professional Training	500,00	0,00
4 Staff Mission Expenses	3.000,00	1.540,36
5 Other personnel costs	500,00	0,00
<b>A. 2: Infrastructure and operating costs</b>	<b>10.000,00</b>	<b>6.774,16</b>
1 Rent, charges and maintenance costs	4.000,00	2.000,00
2 Costs relating to installation, operating and maint.	1.000,00	117,22
3 Depreciation of movable and immovable property	0,00	0,00
4 Stationery and office supplies	1.000,00	3.696,69
5 Postal and telecommunications charges	1.000,00	960,25
6 Printing, translation and reproduction costs	2.000,00	0,00
7 Other infrastructure costs	1.000,00	0,00
<b>A. 3: Administrative expenditure</b>	<b>3.000,00</b>	<b>3.281,12</b>
1 Documentation costs	250,00	0,00
2 Costs of studies and research	0,00	0,00
3 Legal Costs	250,00	0,00
4 Accounting and audit costs	2.500,00	3.226,67
5 Miscellaneous administrative costs	0,00	54,45
<b>A. 4: Meetings and representation costs</b>	<b>33.000,00</b>	<b>7.346,41</b>
1 Costs of meetings of political foundation	25.000,00	3.390,53
2 Participation in seminars and conferences	3.000,00	3.729,95
3 Representation costs	3.000,00	126,40
4 Cost of invitations	1.000,00	0,00
5 Other meeting-related costs	1.000,00	99,53
<b>A. 5: Information and publications</b>	<b>200.000,00</b>	<b>164.954,53</b>
1 Publication costs	50.000,00	48.425,02
2 Creation and operation of Internet sites	5.000,00	12.450,97
3 Publicity costs	5.000,00	0,00
4 Communications equipment (gadgets)	5.000,00	0,00
5 Seminars	130.000,00	102.787,39
6 Election campaigns	0,00	0,00
7 Other information related costs	5.000,00	1.291,15
<b>A. 6: Expenditure relating to contributions</b>	<b>0,00</b>	<b>0,00</b>
<b>A. 7: Allocation to "Provision to cover eligible expenditure to be incurred in the first quarter of N+1"</b>		
<b>A. TOTAL ELIGIBLE EXPENDITURE</b>	<b>275.000,00</b>	<b>211.430,91</b>
<b>B. 1: Non-eligible expenditure</b>		
1 Provisions	0,00	0,00
2 Financial charges	250,00	70,27
3 Exchange losses	250,00	0,50
4 Doubtful debts	0,00	0,00
5 Other	0,00	0,00
<b>B. TOTAL NON-ELIGIBLE EXPENDITURE</b>	<b>500,00</b>	<b>70,77</b>
<b>C. TOTAL EXPENDITURE</b>	<b>275.500,00</b>	<b>211.501,68</b>

REVENUE		
	Budget	Actual
<b>D. 1: Dissolution of "Provision to cover eligible costs to be incurred in the first quarter of N"</b>		
<b>D. 2: European Parliament grant</b>	<b>233.750,00</b>	<b>171.855,61</b>
<b>D. 3: Membership fees</b>	<b>13.000,00</b>	<b>3.000,00</b>
3.1. from member foundations	13.000,00	3.000,00
3.2. from individual members	0,00	0,00
<b>D. 4: Donations</b>	<b>250,00</b>	<b>0,00</b>
4.1. above 500 EUR	0,00	0,00
4.2. below 500 EUR	250,00	0,00
<b>D. 5: Other own resources (to cover eligible expenditure)</b>	<b>28.000,00</b>	<b>36.315,03</b>
Participation fees	1.000,00	2.770,91
Extraordinary contribution member organisation	27.000,00	33.544,12
<b>D. 6: Contributions in kind</b>	<b>0,00</b>	<b>0,00</b>
<b>D. REVENUE (to cover eligible expenditure)</b>	<b>275.000,00</b>	<b>211.170,64</b>
<b>E. 1: Additional/other own resources (to cover non-eligible expenditure)</b>	<b>500,00</b>	<b>331,04</b>
Donations	500,00	0,00
Bank interests	0,00	331,04
Other	0,00	0,00
<b>E. REVENUE (to cover non-eligible expenditure)</b>	<b>500,00</b>	<b>331,04</b>
<b>F. TOTAL REVENUE</b>	<b>275.500,00</b>	<b>211.501,68</b>
<b>G. Profit / Loss (F-C)</b>		<b>0,00</b>



**AUDITOR'S REPORT TO THE EUROPEAN PARLIAMENT  
ON THE ASSOCIATION OF EUROPEAN LIBERAL FORUM  
(ELF) ASBL - 0892.305.374  
RUE MONTOYER 31 7TH FLOOR  
BE-1000 BRUSSELS  
ON THE BALANCE SHEET AND INCOME AND EXPENDITURE STATEMENT  
FOR THE PERIOD ENDED DECEMBER 31st 2008**

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

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

We have audited the financial statements for the period started September 1<sup>st</sup> 2008 and ended December 31<sup>st</sup> 2008, prepared in accordance with the financial reporting framework applicable in Belgium, which show a total assets of € 102.086,17 and a result for the period of € 0,00.

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 der Bedrijfsrevisoren*). Those standards require that we plan and perform the audit to obtain reasonable assurance whether the balance sheet and income and expenditure statement are free from material misstatement, whether due to fraud or error.

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

In our opinion, the balance sheet and income and expenditure statement for the period ended December 31<sup>st</sup> 2008 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.



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### Additional statements and information

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

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

- Without prejudice to formal aspects of minor importance, the accounting records were maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- There are no transactions undertaken or decisions taken in violation of the association's statutes or the legislation related to not-for-profit associations, international not-for-profit associations and foundations that we have to report to you.
- The financial documents submitted by the European Liberal Forum to the Parliament are consistent with the financial provisions of the grant agreement. The expenditure declared was actually incurred and the statement of revenue is exhaustive.
- The obligations arising out of Articles 6,7,8 and 10 (2) of Regulation (EC) No 2004/2003 have been met.
- The balance sheet and income and expenditure statement as of and for the period, ended 31/12/2008, show a total assets of EUR 102.086,17 and a result for the eligible period of EUR 0,00. The result is realised by EUR 211.501,68 of revenues and EUR 211.501,68 of costs, including 70,77 EUR non-eligible costs.
- The funding of the European Parliament does not exceed the budget of the European Liberal Forum on European level for the eligible period. The eligible expenses amount to EUR 211.430,91. The European Liberal Forum received, until now, a prepayment for an amount of EUR 187.000 from the European Parliament. The upper limit of 85% of the eligible expenses for the eligible period financed by the grant is set at a maximum of EUR 233.750,00 (considering the adopted budget of 275.000 EUR), meaning a maximum of 46.750,00 to be received. However, considering the own financing of EUR 39.646,07 is higher than the minimum required percentage of 15% and the fact that the Forum can not make a profit according to the regulations, EUR 15.144,39 is to be refunded to the European Parliament. This amount is the difference of the total revenue of EUR 226.646,07 and the total expenditure of EUR 211.501,68.
- We have noticed the following differences on the level of the budget lines:

Budget lines	Personnel	Infrastructure	Administration	Meeting	Information	Total
Budget	29.000,00	10.000,00	3.000,00	33.000,00	200.000,00	275.000,00
Realisations	29.074,69	6.774,16	3.281,12	7.346,41	164.954,53	211.430,91
Differences	74,69	-3.225,84	281,12	-25.653,59	-35.045,47	-63.569,09

Kortrijk, April 15th 2009

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



**Specification of donors and amounts given**

No such transactions have been recognized during the considered period.