

## Auditor's report on the financial statements of New Direction ASBL for the year ended 31 December 2013

In accordance with our service contract with the European Union represented by the European Parliament, we report to you on the performance of our audit which was entrusted to Ernst & Young Réviseurs d'Entreprises cvba. This report contains our opinion on the financial statements (i.e. balance sheet and profit and loss account) and on the final statement of eligible expenditure actually incurred as well as on compliance with rules and regulations applicable to funding of political parties and foundations at European level.

### Unqualified auditor's report with emphasis of matter

We have audited the financial statements as defined above for the year ending 31 December 2013 and the final statement of eligible expenditure actually incurred for the period of eligibility defined by the grant award decision of New Direction ASBL, as laid out on the following pages.

The financial statements for the year ended 31 December 2013 have been prepared in accordance with the financial reporting framework applicable in Belgium and show a balance sheet total of € 60.067,67 and a profit for the year of € 59.690,67. The profit of the year, is used to reduce the losses carried forward for € 59.328,22 and the surplus of €362,45 has been transferred to the Specific Reserve account. Reserve accumulated (including the result of the year) amounts to € 362,45.

### Respective responsibilities of the Board of Directors of New Direction ASBL

The Board of Directors is responsible for the preparation and fair presentation of the financial statements. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation. Moreover, it includes a 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.

The Board of Directors is responsible towards the European Parliament for the use of the grant and must comply with the provisions of the Regulation EC (No) 2004/2003 and the underlying acts.

### Respective responsibilities of the Auditor

Our responsibility is to express an opinion on these financial statements and on the final statement of eligible expenditure actually incurred based on our audit. Furthermore, our responsibility is to express an opinion on the compliance with rules and regulations applicable to funding of political parties and foundations at European level.

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.

In accordance with these standards, we have performed procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

Société civile ayant adopté la forme d'une société coopérative à responsabilité limitée  
Burgerschijfvennootschap die de rechtsvorm van een coöperatieve vennootschap met beperkte aansprakelijkheid heeft aangenomen  
RPM Bruxelles - RPR Brussel - T.V.A. - B.T.W. BE 0446.334.711  
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In making those risk assessments, we have considered internal control relevant to the association's preparation and fair presentation of the financial statements 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 association's internal control. We have evaluated the appropriateness of accounting policies used, the reasonableness of significant accounting estimates made by the association and the presentation of the financial statements, taken as a whole. Finally, we have obtained from the Board of Directors and the association's officials the explanations and information necessary for executing our audit procedures. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit work included specific procedures to gather sufficient and appropriate audit evidence that the financial provisions and obligations of the grant award decision, Regulation (EC) No 2004/2003 and the underlying acts have been met.

#### *Opinion*

In our opinion, the financial statements (i.e. i.e. balance sheet and profit & loss account) for the period ended 31 December 2013 have been prepared in accordance with the financial reporting framework applicable in Belgium, are free of material misstatement and show a true and fair view of the financial position and the operating results.

Notwithstanding the negative cash position which impact the financial statements of the Foundation, the financial statements are prepared under the assumption that the activities will be continued. This assumption is sustainable as long as the Foundation will receive financial support from the European Parliament or other financing sources. Without altering our audit opinion, we draw your attention to the notes in the financial statements in which the Foundation justifies the application of accounting policies under the assumption of going concern.

#### *Additional confirmations and statements*

The association's compliance with:

- the Law for not-for-profit associations (Wet betreffende de verenigingen zonder winstoogmerk, de internationale verenigingen zonder winstoogmerk en de stichtingen / Loi sur les associations sans but lucratif, les associations internationales sans but lucratif et les fondations),
- its articles of association, and
- the provisions of the European Parliament's grant award decision, Regulation (EC) No 2004/2003 and the underlying acts,

is the responsibility of the Board of Directors.

We do not have to report any transactions undertaken or decisions taken in violation of the association's articles of association or the Law for not-for-profit associations;(not to include the previous paragraph if not registered in Belgium).

In our opinion (which does not modify the scope of our 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;
- the financial documents submitted by the New Direction ASBL to the European Parliament are consistent with the financial provisions of the Bureau's grant award decision;
- the expenditure declared was actually incurred;
- the statement of revenue is exhaustive;
- the obligations arising from the Regulation (EC) No 2004/2003 have been met;
- the obligations arising from the Bureau decision of 29 March 2004 have been met;
- the obligations arising from the grant award decision, in particular from Article II.7 - Award of contracts and Article II.11 - Eligible expenditure, have been met.

Brussels, 1 April 2014

Ernst & Young Réviseurs d'Entreprises sccrl  
represented by



Danielle Vermaelen  
Partner

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EXPENDITURE		REVENUE	
	Budget	Actual	Budget
<b>Eligible expenditure</b>			
<b>A.1: Personnel costs</b>			
1. Salaries	265,000.00	98,250.16	
2. Contributions	220,000.00	77,446.93	
3. Professional training	26,000.00	14,754.45	
4. Staff mission expenses	5,000.00		
5. Other personnel costs	8,000.00		
<b>A.2: Infrastructure and operating costs</b>			
1. Rent, charges and maintenance costs	103,000.00	35,625.80	
2. Costs relating to the installation, operation and maintenance of equipment	15,000.00	12,683.24	
3. Depreciation of movable and immovable property	10,000.00	7,194.88	
4. Stationery and office supplies	8,000.00	4,260.07	
5. Postal and telecommunications charges	18,000.00	9,473.50	
6. Printing, translation and reproduction costs	39,000.00	1,534.31	
7. Other infrastructure costs	1,000.00	477.80	
<b>A.3: Administrative expenditure</b>			
1. Documentation costs (newspapers, press agencies, databases)	506,000.00	551,956.44	
2. Costs of studies and research	4,000.00	4,003.64	
3. Legal costs	310,000.00	415,720.81	
4. Accounting and audit costs	150,000.00	105,263.94	
5. Support to affiliated organisations and subsidies to third parties	36,000.00	19,559.88	
6. Miscellaneous administrative costs	0.00	0.00	
<b>A.4: Meetings and representation costs</b>			
1. Costs of meetings at the foundation	198,000.00	51,094.23	
2. Participation in seminars and conferences	1,000.00	10,947.57	
3. Representation costs	98,000.00	33,134.98	
4. Cost of invitations	9,000.00	7,011.68	
5. Other meeting-related costs	1,000.00	1,000.00	
<b>A.5: Information and publication costs</b>			
1. Publication costs	84,000.00	22,384.54	
2. Creation and operation of internet sites	2,000.00	48.59	
3. Publicity costs	35,000.00	2,874.05	
4. Communications equipment (gadgets)	25,000.00	18,991.90	
5. Seminars and exhibitions	0.00		
6. Election campaigns <sup>1</sup>	1,000.00		
7. Other information-related costs	1,000.00		
<b>A.6: Expenditure relating to contributions in kind</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>	1,136,000.00	759,281.17	
<b>B.1: Non-eligible expenditure</b>			
1. Allocations to other provisions	11,100.00	9,530.08	
2. Financial charges	0.00	5,170.22	
3. Exchange losses	1,100.00	2,122.29	
4. Doubtful claims on third parties			
5. Others (to be specified)			
<b>B. TOTAL NON-ELIGIBLE EXPENDITURE</b>	11,100.00	9,530.08	
<b>C. TOTAL EXPENDITURE</b>	1,147,100.00	768,812.25	
<b>H.1 Allocation of own resources to the specific reserve account<sup>1</sup></b>		59,680.67	
<b>H. Profit/loss for verifying compliance with the no-profit rule (G-H.1)<sup>1</sup></b>	0.00	0.00	
<b>G. Profit/loss (F-C)</b>	0.00	59,680.67	

<sup>1</sup>: Not applicable to political foundations at European level

**Bilan interne  
Exercice 2013**

01/04/2014 - 21:09

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01/01/2013 - 31/12/2013

			11.639,00
	<b>ACTIFS IMMOBILISES</b>	20/28	
<b>II. Immobilisations incorporelles (ann. I; A)</b>		21	<b>4.118,08</b>
210100 WEBSITE			7.135,30
210109 amortissement			(3.017,22)
<b>III. Immobilisations corporelles (ann. I; B)</b>		22/27	<b>7.520,92</b>
B. Installations; machines et outillage		23	311,81
231500 accounting software			934,81
231590 AMORTISSEMENT ACCOUNTING SOFTWARE			(623,20)
C. Mobilier et matériel roulant		24	7.209,31
242000 Mobilier et matériel de bureau			3.825,86
242090 Amort. Mobilier et matériel de bureau			(2.312,10)
242500 Matériel informatique			16.883,55
242590 Amortissement matériel informatique			(11.188,00)
	<b>ACTIFS CIRCULANTS</b>	29/58	<b>48.428,67</b>
<b>VII. Crédances à un an au plus</b>		40/41	<b>21.255,15</b>
A. Crédances commerciales		40	14.272,86
401000 FONNISSEURS DEBITEURS			6.534,88
404000 NOTES DE CREDIT A RECEVOIR			7.737,98
B. Autres créances		41	6.982,29
414000 ACCRUED INCOME EP GRANT TO RECEIVE			6.982,29
<b>IX. Valeurs disponibles</b>		54/58	<b>146,72</b>
550500 KBC compte épargne call32			43,44
550600 KBC compte épargne			103,28
<b>X. Comptes de régularisation</b>		490/1	<b>27.026,80</b>
490000 CHARGES A REPORTER			27.026,80
<b>Montant total de l'actif</b>			<b>60.067,67</b>



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01/04/2014 - 21:09

01/01/2013 - 31/12/2013

CAPITAUX PROPRES		10/15	362,45
<b>IV. Réserves</b>		13	362,45
C. Réserves immunisées		132	362,45
132000 AUTRES FONDS AFFECTES			362,45
DETTES		17/49	59.705,22
<b>IX. Dettes à un an au plus (ann. V)</b>		42/48	59.705,22
B. Dettes financières		43	25.790,19
1. Etablissements de crédit		430/8	25.790,19
433000 ETS DE CREDIT - DETTES EN COMPTE COURANT			25.790,19
C. Dettes commerciales		44	21.682,06
1. Fournisseurs		440/4	21.682,06
440000 FOURNISSEURS			5.897,93
444000 FACTURES À RECEVOIR			15.784,13
E. Dettes fiscales; salariales et sociales		45	12.232,97
2. Rémunérations et charges sociales		454/9	12.232,97
455030 REMUNERATION GP			6,44
456000 PECULE DE VACANCES			12.226,53
Montant total du passif			60.067,67

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01/04/2014 - 21:09

01/01/2013 - 31/12/2013

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<b>COMPTE DE RESULTATS</b>		
<b>I. Produits et charges d'exploitation</b>		
Chiffre d'affaires	70	178.453,99
700003 DONATIONS		178.453,99
Autres produits d'exploitation	71/74	646.759,13
730000 EP grant		638.415,20
730100 EP grant to receive		6.982,29
740900 ATN		80,00
740910 RECUP STRUCUREL PP		735,77
743000 Prior year grant correction EP		22,04
749000 PRODUITS D'EXPLOITATION DIVERS		523,83
Approvisionnements; marchandises ; } mentions	60/61	
Services et biens divers                           } facultatives		
Services et biens divers	61	(655.550,53)
610000 Location bureau		(12.483,60)
610100 Location matériels		(561,08)
612000 Frais de GSM		(3.245,07)
612010 Frais de téléphone et d'internet		(4.409,53)
612050 Site internet		(2.874,05)
612100 Frais postaux		(513,65)
612200 Frais informatique		(1.432,30)
612400 Fournitures de bureau		(3.320,36)
612500 Imprimés		(5.919,89)
612700 FRAIS DE DOCUMENTATION		(1.306,64)
613000 PARTICIPATION FEES		(4.380,35)
613100 SPONSORSHIP		(323.900,00)
613200 Frais de gestion secrétariat social		(905,35)
613250 HONORAIRES CONSULTANTS		(109.470,77)
613270 HONORAIRES ETUDES		(48.700,00)
613275 Honoraires redaction et traduction		(2.129,60)
613280 HONORAIRES RECHERCHES		(3.000,00)
613290 Honoraires divers		(363,00)
613350 HONORAIRES SODEXO		(312,85)
613400 HONORAIRES COMPTABLE		(18.601,13)
613410 HONORAIRE AVOCAT		(7.305,17)
613450 HONORAIRES AUTITEURS		(1.058,75)
613500 Frais de voyages :avion, train		(10.345,77)
613510 Frais de voyages : hôtel/meeting room		(6.840,71)
613520 Frais de déplacement en Belgique		(604,22)
613530 Frais de déplacement hors Belgique		(600,09)
613550 HONORAIRES THOMAS WESCOTT		(710,90)
613600 Assurances diverses		(477,80)
614000 Frais de publication		(620,56)
615400 Cadeaux à la clientèle		(4.474,08)
615500 Frais de publicité/promotion		(59.838,03)
615510 Conferences		(4.163,32)
615600 Frais de restaurant		(8.127,04)
616400 Frais de voiture : péage, taxi, parking		(1.133,07)
616900 Non-eligible expenditure		(1.421,80)

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01/04/2014 - 21:09

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01/01/2013 - 31/12/2013		
A.B.	Marge brute d'exploitation (solde positif)	70/61
	Marge brute d'exploitation (solde négatif) (-)	61/70
C.	Rémunérations; charges sociales et pensions (ann. VI; 2) (-)	62
620200	EMPLOYEES	(72.983,76)
620300	EMPLOYEES ATN	(80,00)
621000	COTI PATRONALES ONSS	(15.490,22)
623000	ABONNEMENT SOCIAL	(263,20)
623002	HEALTH INSURANCE	(3.482,00)
623020	Chèques-repas	(1.660,06)
623030	Service externe de protection du travail	(127,49)
623040	Assurance légale	(219,43)
625010	Provision pécule de vacance	(12.226,53)
625011	REPRISE PROVISION PECULE DE VACANCES	7.749,36
D.	Amortissements et réductions de valeur sur frais d'établissement; sur immobilisations incorporelles et corporelles (-)	630
630100	DOTATIONS AUX AMO SUR IMMO INCORPO	(1.783,83)
630200	DOTATIONS AUX AMORT SUR IMMO CORPO	(5.411,05)
G.	Autres charges d'exploitation (-)	640/8
640000	PRECOMPTE MOBILIER	(203,68)
{	Bénéfice d'exploitation (+)	70/64
{	Perte d'exploitation (-)	64/70
II.	Produits financiers	75
750000	PRODUITS DES IMMO FINANCIERES	123,87
751000	PRODUITS DES ACTIFS CIRCULANTS	911,24
754000	DIFFÉRENCES DE CHANGE	2.219,18
758000	PRODUITS FINANCIERS DIVERS	44,51
Charges financières (-)		65
650000	INT DE RETARD	(269,14)
650200	AUTRES FRAIS FINANCIERS	(305,51)
654000	DIFFÉRENCES DE CHANGE	(2.122,29)
657000	CHARGES FINANCIERES DIVERSES	(4.379,04)
658000	CHARGES FINANCIERES DIVERSES	(12,85)
{	Bénéfice courant avant impôts (+)	70/65
{	Perte courante avant impôts (-)	65/70
{	Bénéfice de l'exercice avant impôts (+)	70/66
{	Perte de l'exercice avant impôts (-)	66/70
IV.	Impôts sur le résultat (-) (+)	67/77
{	Bénéfice de l'exercice (+)	70/67
{	Perte de l'exercice (-)	67/70
{	Bénéfice de l'exercice à affecter (+)	70/68
{	Perte de l'exercice à affecter (-)	68/70

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Exercice 2013**

01/04/2014 - 21:09

EUR

01/01/2013 - 31/12/2013

<b>AFFECTATIONS ET PRELEVEMENTS</b>		
<b>I. Produits et charges d'exploitation</b>		
<b>A. { Bénéfice à affecter</b>	<b>70/69</b>	<b>362,45</b>
{ Perte à affecter (-)	69/70	
1. Bénéfice de l'exercice à affecter	70/68	59.690,67
Perte de l'exercice à affecter (-)	68/70	
Perte reportée de l'exercice précédent (-)	690	(59.328,22)
<b>690000 TRANSFERT AU RESULTAT REPORTÉ</b>		<b>(59.328,22)</b>
<b>C. Affectation aux capitaux propres (-)</b>	<b>691/2</b>	<b>(362,45)</b>
1. au capital et aux primes d'émission	691	(362,45)
<b>691000 TRANSFERT AUX FONDS AFFECTÉS</b>		<b>(362,45)</b>



Ernst & Young  
Ilse Van Loo, Manager  
De Kleetlaan 2  
1831 Diegem

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New Direction – Foundation for European Reform  
Via Geoffrey Van Orden MBE MEP, President  
Rue d'Arlon 40  
1000 Brussels

Brussels, Tuesday 1 April 2014

**ANNEX TO THE ANNUAL ACCOUNTS 2013**

**VALUATION RULES – GOING CONCERN**

Based on the annual accounts the association had a negative cash flow position at the end of 2013.

On behalf of the Board of Directors, we are convinced of the future strength of our association. Over the course of the year the association generated a surplus, and our KBC credit line of EUR 100,000 is adequate to cover any short term cash flow imbalances that may occur at the end of the year. Going forward the association will continue to invest in sound financial management to ensure its future success and integrity, adjusting expenditure and raising additional own resources as necessary.

We have therefore prepared the financial statements as per year end 2013 maintaining the valuation rules as a going concern.

Yours sincerely,



Geoffrey Van Orden MBE MEP  
President  
New Direction – Foundation for European Reform

## LIST OF DONORS WHO HAVE DONATED MORE THAN 500 EUR IN 2013

Throughout the fiscal year 2013, the following donations of more than 500 EUR have been received by New Direction:

Name	Country	Amount (EUR)
Atlas ERF	USA	12,000
AT&T GNSBL	Belgium	12,000
EU Relaunch	Czech Republic	8,353
Artur Wołek	Poland	2,500
Arkady Rzegocki	Poland	2,000
Zdruzenie podnikatel'ov	Slovakia	1,000
Jobpen	The Netherlands	8,000
Heikki Pentti dodsbo	Finland	12,000
Industrie und Finanzkontor Etabl.	Liechtenstein	12,000
James Peron	Germany	11,000
Manfred Kastner	Austria	12,000
Paul Beaumartin	France	5,000
HBC Group	UK	5,924.87
Thinkflink	Germany	1,200
Grzegorz Fugiel	Poland	1,000
Agnieszka Kuczkiewicz-Fraś	Poland	2,500
Vrij en verantwoordelijk	Belgium	12,000
Americans for Tax Reform	USA	1,576.12
Miroslaw Sanek	Poland	2,000
Novartis Pharma AG	Switzerland	12,000
Auxerre	Slovakia	500
Belro Medical	Belgium	5,000
Potravinarska komora Slovenska	Slovakia	1,000
Rafael Biosse-Duplan	UK	5,900
Jalte Holding BV	The Netherlands	6,000
Harmonies Economiques	Luxembourg	12,000
Triple-A Project Marketing	Austria	12,000