



Registered Auditors

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**REPORT OF THE AUDITOR ON THE FINANCIAL STATEMENTS FOR  
THE YEAR ENDED DECEMBER 31, 2018 OF THE INTERNATIONAL  
ASSOCIATION EUROPEAN POLICY CENTRE (EPC AISBL)**



Registered Auditors

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**AUDITOR'S REPORT FOR THE FINANCIAL YEAR STARTED ON THE  
1<sup>ST</sup> JANUARY 2018 AND ENDED ON THE 31<sup>ST</sup> DECEMBER 2018 OF THE EUROPEAN  
POLICY CENTRE AISBL (EPC)**

***Objective and scope of the review***

Upon the request of the Director, we have reviewed the accompanying financial statements of the association EUROPEAN POLICY CENTRE (EPC) as at December 31<sup>st</sup>, 2018. The Board of Directors of EPC is responsible for the preparation of this financial information in accordance with the Belgian generally accepted accounting principles. These statements indicate a balance sheet total of € 899.368,26 as well as revenues in excess of expenses of € 92.603,18.

We conducted our review 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*) and, more particularly, in accordance with its Standards in regards to a limited review.

This review, in accordance with the aforementioned standards, consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters.

A limited review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements. Accordingly, we do not express an audit opinion. A limited review does not provide assurance that we would become aware of any or all significant matters that might be identified in an audit.

***Review***

We have obtained from the management and responsible officers of the association all of the explanations and information necessary for our review. We believe that the evidence we have obtained in our review is sufficient and appropriate to provide a basis for our conclusion.

In our opinion, the financial statements as of December 31<sup>st</sup>, 2018, were established in accordance with the financial reporting framework applicable in Belgium and the accounting records were maintained with the legal and regulatory requirements applicable in Belgium.



Registered Auditors

The current revenues amount to € 2.788.421,02 and the expenses amount to € 2.695.817,84 and hence, the financial statement as at 31<sup>st</sup> December 2018 indicates revenues in excess of expenses of € 92.603,18.

After thorough examination and analysis of the available documents and data, we can confirm that operating costs were sufficiently justified by supporting documents.

Furthermore we would like to draw your attention to the annual accounts indicating the EUROPEAN POLICY CENTRE INTERNATIONAL ASSOCIATION (EPC) closed the fiscal year, which ended per 31 December 2018, with revenues in excess of expenses of € 92.603,18 which brings the equity capital to € 95.082,86. The equity is positive but remains limited, which means that an uncertainty may exist which could cast doubt on the continuity of the association. The Board of Directors is aware of the situation and actions have been taken. The actions have delivered results as evidenced by the aforementioned revenues in excess of expenses of € 92.603,18 in 2018.

### ***Additional 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.

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 foundations 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.

### ***Conclusion***

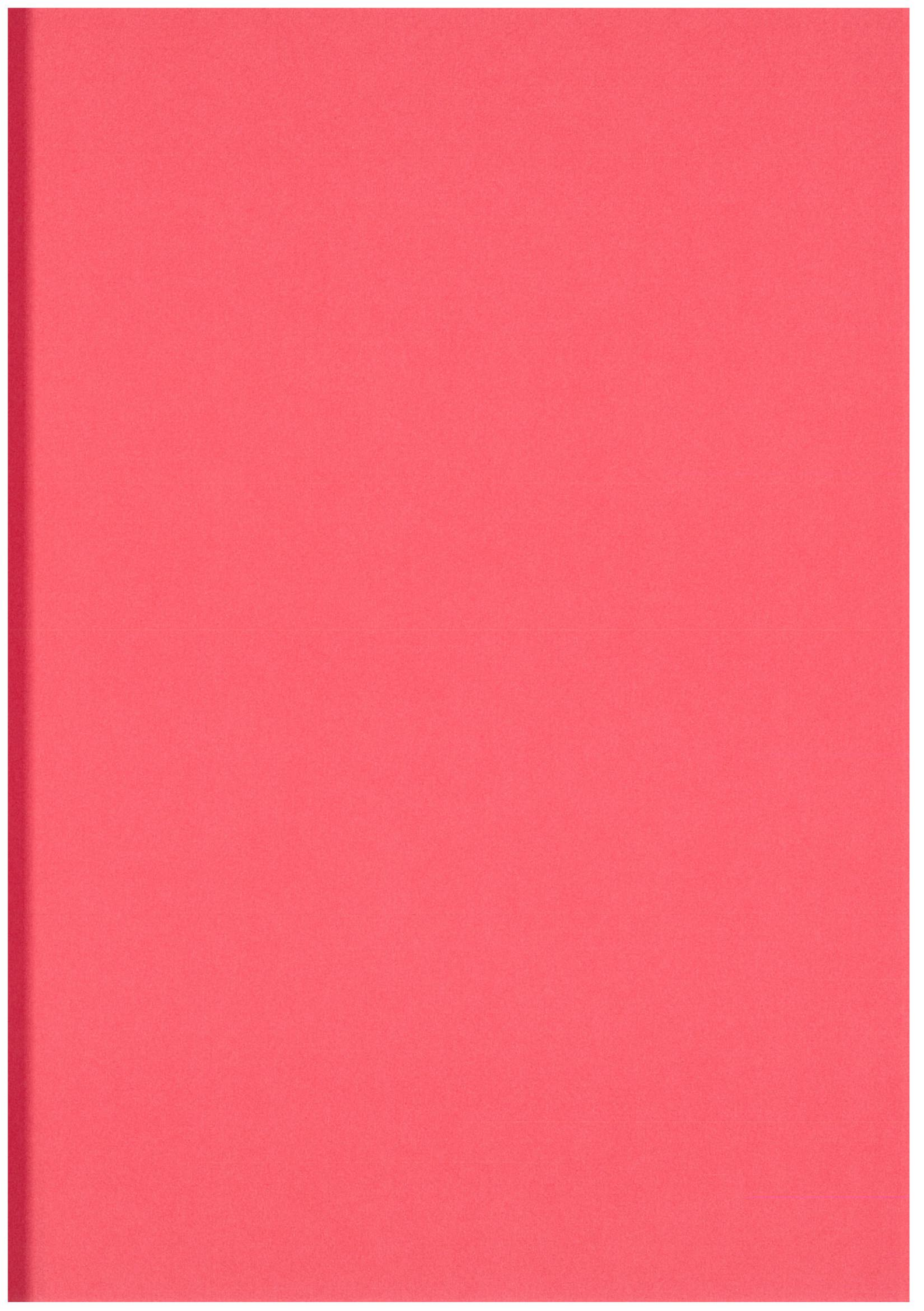
We have reviewed the accompanying financial statements of the association EUROPEAN POLICY CENTRE (EPC) as at 31<sup>st</sup> of December 2018, prepared by its Board of Directors, indicating a balance sheet total of € 899.368,26 and revenues in excess of expenses of € 92.603,18.

Based on our reviews, nothing has come to our attention that causes us to believe that the financial statements are not prepared, in all material respect, in accordance with the Belgian generally accepted accounting principles.

Zellik, 22<sup>nd</sup> February 2019.

Luteijn, Serghini & Co Registered Auditors BVBA  
represented by Saskia Luteijn





**European Policy Centre  
International Association  
Financial Statements for the Year Ended  
31 December 2018**

**Balance Sheets as at 31 December**

	<u>2018</u>	<u>2017</u>
	€	€
<b><u>Intangible Fixed Assets</u></b>		
Software	158.689,33	124.097,51
Less : Depreciation	-81.232,37	-57.719,50
	<u>77.456,96</u>	<u>66.378,01</u>
<b><u>Tangible Fixed Assets</u></b>		
Furniture and Equipment	114.511,61	81.941,58
Less : Depreciation	-67.903,54	-49.223,36
	<u>46.608,07</u>	<u>32.718,22</u>
<b><u>Financial Fixed Assets</u></b>		
Deposits and Guarantees	848,23	848,23
<b>Total Fixed Assets</b>	<u>124.913,26</u>	<u>99.944,46</u>
<b><u>Current Assets</u></b>		
Debtors	75.348,42	172.366,03
Other Receivables	46.652,92	44.080,52
Cash at Bank and in Hand	438.527,25	194.733,09
Accruals	213.926,41	249.399,65
	<u>774.455,00</u>	<u>660.579,29</u>
<b>Less :</b>		
<b><u>Long term Liabilities</u></b>		
Long Term Bank Loans	-15.260,68	0,00
	<u>-15.260,68</u>	<u>0,00</u>
<b><u>Current Liabilities</u></b>		
Short Term Bank Loans	-8.949,64	0,00
Creditors, Taxes and Social Debts	-172.794,26	-213.466,29
Deferred Income and Accruals	-607.280,82	-544.577,78
	<u>-789.024,72</u>	<u>-758.044,07</u>
<b>Total Equity</b>	<u><u>95.082,86</u></u>	<u><u>2.479,68</u></u>



**European Policy Centre  
International Association  
Financial Statements for the Year Ended  
31 December 2018**

**Balance Sheets as at 31 December**

	<u>2018</u>	<u>2017</u>
	€	€
<b><u>Income</u></b>		
Members' Subscriptions	659.023,51	609.516,98
Grants	1.213.677,72	1.178.735,66
Events / Projects	915.609,14	757.731,65
Other Revenue	110,15	3.841,48
Financial income	0,50	0,57
Exceptional revenues	0,00	0,00
<b>Total Income</b>	<u><u>2.788.421,02</u></u>	<u><u>2.549.826,34</u></u>
<b><u>Expenditure</u></b>		
Staff Costs (included interim costs)	564.672,99	586.012,56
Fees consultants, lawyer, accountant,...	1.356.333,06	1.246.342,57
Suppliers	12.933,70	13.471,87
Communications and IT	71.363,70	35.625,36
Press, Library and Subscriptions	63.167,05	54.652,71
Depreciations and provisions	40.222,97	9.824,39
Event Costs and Project Travel Costs	228.714,65	201.216,61
Travel and Subsistence	28.152,46	6.703,35
Equipment Rent	52.012,17	69.828,54
Office Rent and Cleaning	276.521,64	268.386,32
Financial Costs	1.723,45	1.493,88
Exceptional costs	0,00	0,00
<b>Total Expenditure</b>	<u><u>2.695.817,84</u></u>	<u><u>2.493.558,16</u></u>
<b>Surplus/Deficit (-) for the year</b>	<u><u>92.603,18</u></u>	<u><u>56.268,18</u></u>

**European Policy Centre  
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Financial Statements for the Year Ended  
31 December 2018**

**Balance Sheets as at 31 December**

**Assets**

**1. Intangible Fixed Assets**

<u>Cost</u>	<u>Balance as per 1 January 2018</u>	<u>Additions</u>	<u>Balance as per 31 December 2018</u>
	€	€	€
Software	124.097,51	34.591,82	158.689,33
Fixed Assets at Cost	<u>124.097,51</u>	<u>34.591,82</u>	<u>158.689,33</u>
Depreciation	-57.719,50	-23.512,87	-81.232,37
<b>Net Book Value</b>	<b><u>66.378,01</u></b>	<b><u>11.078,95</u></b>	<b><u>77.456,96</u></b>

**2. Tangible Fixed Assets**

	€	€	€
Office Furniture and Equipment	52.899,06	1.570,37	54.469,43
Conference Room	8.781,32	0,00	8.781,32
Alarm system	2.498,20	0,00	2.498,20
Leasing	0,00	30.999,66	30.999,66
Renovation	17.763,00	0,00	17.763,00
Fixed Assets at Cost	<u>81.941,58</u>	<u>32.570,03</u>	<u>114.511,61</u>
Depreciation	-49.223,36	-8.994,35	-67.903,54
<b>Net Book Value</b>	<b><u>32.718,22</u></b>	<b><u>23.575,68</u></b>	<b><u>46.608,07</u></b>

**3. Current Assets**

	<u>2018</u>	<u>2017</u>
	€	€
<i>The debtors consist out of :</i>		
Members / Other Receivables	55.157,50	164.256,50
Credit Notes to be Received	14.165,92	14.054,61
Invoices to be Drafted	10.000,00	0,00
Dubious Debts	0,00	0,00
Depreciations on Dubious Debts	-3.975,00	-5.945,08
	<u>75.348,42</u>	<u>172.366,03</u>
Other Receivables		
Recoverable VAT	46.652,92	44.080,52
Advance on Social Security Contributions	0,00	0,00
	<u>46.652,92</u>	<u>44.080,52</u>

**4. Accruals**

	<u>2018</u>	<u>2017</u>
	€	€
Deferred Costs	10.617,32	25.399,82
Accrued Income	203.309,09	223.999,83
	<u>213.926,41</u>	<u>249.399,65</u>

**European Policy Centre  
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Financial Statements for the Year Ended  
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**Balance Sheets as at 31 December**

**Liabilities**

<b>5. Loans</b>	<u>2018</u>	<u>2017</u>
	€	€
Long Term Bank Loans - leasing	15.260,68	0,00
Short Term Bank Loans - leasing	8.949,64	0,00
	<u>24.210,32</u>	<u>0,00</u>

<b>6. Creditors, Taxes and Social Debts</b>	<u>2018</u>	<u>2017</u>
	€	€
<i>The creditors, taxes and social debt consist out of :</i>		
Suppliers of Goods and Services	25.758,55	75.550,20
Credit Notes to be Drafted	51.000,00	0,00
Invoices to be Encoded	14.196,46	29.663,75
Due Taxes	16.450,01	22.825,40
Due Social debts	65.389,24	85.426,94
	<u>172.794,26</u>	<u>213.466,29</u>

**7. Deferred Income and accruals**

*Most of this item consists out of invoiced subscriptions in 2018 relating to 2019 which are on a 12 month basis as opposed to a calendar year basis and the received income for projects for 2019*

	<u>2018</u>	<u>2017</u>
	€	€
Members' Subscriptions	218.284,53	212.084,91
Deferred Income on Projects	310.290,27	257.595,34
Accrued Costs	78.706,02	74.897,53
	<u>607.280,82</u>	<u>544.577,78</u>

<b>8. Proper Funds</b>	<u>2018</u>	<u>2017</u>
	€	€
Initial funds	425,92	425,92
Prior Period Funds (+) / Forwarded Deficit (-)	2.053,76	0,00
Reserve for social liabilities	10.000,00	0,00
Surplus (+) / Deficit (-) for the Year	82.603,18	2.053,76
Proper Funds	<u>95.082,86</u>	<u>2.479,68</u>