

# Euro Mediterranean Human Rights Network

CVR-no. 25 15 54 67

## Annual Report for 2004

(4. Financial year)

The Annual Report was presented  
and adopted at the Annual General  
Meeting of the Association on    /  
2005

**Chairman**

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## **Management's Statement on the Annual Report**

The Executive and Supervisory Board have today considered and adopted the Annual Report of Euro Mediterranean Human Rights Network for the financial year 1 January - 31 December 2004.

The Annual Report was prepared in accordance with the Danish Financial Statements Act. We consider the accounting policies applied appropriate and the estimates made reasonable. Furthermore, we consider the overall annual report presentation true and fair. Therefore, in our opinion the Annual Report gives a true and fair view of the financial position and the results of operations for the Association.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, / 2005

### **Executive Director**

Marc Schade-Poulsen

### **Supervisory Board**

Kamel Jendoubi

Eva Nordström

Theocharis Papamargaris

Bahey El-din Hassan

Rabeá Naciri

Randa Siniora

Colm Regan

Klaus Slavensky

Michel Tubiana

Reyhan Yalcindag

# **Auditors' Report**

## **To the Management of Euro Mediterranean Human Rights Network**

We have audited the Annual Report of Euro Mediterranean Human Rights Network for the financial year 1 January - 31 December 2004, prepared in accordance with the Danish Financial Statements Act.

The Annual Report is the responsibility of Association's Management. Our responsibility is to express an opinion on the Annual Report based on our audit.

### **Basis of Opinion**

We conducted our audit in accordance with Danish Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance that the Annual Report is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Annual Report. An audit also includes assessing the accounting policies applied and significant estimates made by Management, as well as evaluating the overall annual report presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not resulted in any qualification.

### **Opinion**

In our opinion, the Annual Report gives a true and fair view of the financial position at 31 December 2004 of the Association and of the results of the Association's operations for the financial year 1 January - 31 December 2004 in accordance with the Danish Financial Statements Act.

Copenhagen, 23 November 2005

**PricewaterhouseCoopers**

Statsautoriseret Revisionsinteressentskab

Jacob F. Christiansen

State Authorised Public Accountant

## **Managements review and comments**

In the opinion of the Management, all information material to the assessment of the Association's financial position, the result for the year and the financial development is disclosed in the Financial Statements and in this report.

The Financial Statements have been prepared under the same accounting policies as last year.

After the balance sheet date no significant events have occurred which are considered to have a material effect on the assessment of financial statements.

### **Main activity**

The activity of the Association consists of protection and promotion of human rights in the Euro-Mediterranean region. For further description of the activities, we refer to the "Annual Narrative Report", which can be requested at the office in Copenhagen.

### **The financial development and activities through 2004**

The profit for the year is in accordance with expectations. The financial development did not differ from expectations the previous year.

### **The expected development**

The Association has signed a contract for a period of 2 years from November 2005 with the EU Commission. Furthermore, the Association has obtained assurance from the Danish Ministry of Foreign Affairs on a 2 year contract. These contracts together with other contract received, allows the EMHRN to carry on its activities and to increase the level of new projects.

## **Accounting Policies**

### **Basis of preparation**

The Annual Report of Euro Mediterranean Human Rights Network has been prepared in accordance with Danish accounting legislation and generally accepted accounting principles, for Associations and Companies class A. The accounting policy is unchanged compared to previous year.

The Annual Report is prepared without comparative figures.

The amounts in Euro have been calculated on the basis of an exchange rate of DKK 7.45.

### **Recognition and measurement**

The Financial Statements have been prepared under the historical cost method.

Revenues are recognised in the Income Statement as projects are completed according to the percentage-of-completion method. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised costs are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Association, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Association, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost.

Danish kroner is used as the measurement currency. All other currencies are regarded as foreign currencies.

## **Accounting Policies**

### **Profit and loss account**

#### **Recognition of income**

Income is recognised as projects are completed according to the percentage-of-completion method.

Expenses paid prior to the receipt of subsidy commitments are capitalised. Income and expenses are recognised at the date of receipt of subsidy commitments and in the period to which the subsidy relates.

#### **Taxes**

The Association is tax exemption according to Danish tax-laws.

### **Balance sheet**

#### **Debtors**

Debtors are valued according to an individual assessment of the creditworthiness of the debtors.

#### **Liabilities**

Liabilities are valued at nominal value.

## Profit and loss account 1 January - 31 December 2004

	Note	2004 DKK	2004 Euro
Membership fees		7.981	1.071
Staff development		5.893	791
Incidental revenues		24.607	3.303
Subsidies received	1	8.648.313	1.160.847
<b>Total operating income</b>		<b>8.686.794</b>	<b>1.166.012</b>
Salaries and wages	2	3.470.100	465.785
Per Diem		1.256.168	168.613
Activity expenses	3	3.624.488	486.508
Administrative expenses	4	333.497	44.765
<b>Profit/(loss) before financial items</b>		<b>2.541</b>	<b>341</b>
Financial income	5	26.767	3.593
<b>Profit/(loss) for the year</b>		<b>29.308</b>	<b>3.934</b>

### Distribution of profit

The following amount is available for distribution:

Retained profit in previous years	510.533	68.528
Profit/loss for the year	29.308	3.934
<b>Available for distribution</b>	<b>539.841</b>	<b>72.462</b>

Which is proposed distributed as follows:

Retained profit/(loss)	539.841	72.462
<b>Distributed</b>	<b>539.841</b>	<b>72.462</b>



## Balance sheet 31 December

### Assets

	Note	2004	2004
		DKK	Euro
Debtors, subsidies		246.194	33.046
Prepaid expenses and deferred income		39.669	5.325
<b>Debtors</b>		<b>285.863</b>	<b>38.371</b>
<b>Cash at bank and in hand</b>	6	<b>4.448.654</b>	<b>597.135</b>
<b>Total assets</b>		<b>4.734.517</b>	<b>635.506</b>

## Balance sheet 31 December

### Liabilities and equity

	Note	2004 DKK	2004 Euro
Retained profit/(loss)		539.841	72.462
<b>Equity</b>	9	<b>539.841</b>	<b>72.462</b>
Current account EMHR foundation		552.666	74.184
Accrued subsidies	7	2.808.838	377.025
Other liabilities	8	798.312	107.156
Creditors		34.860	4.679
<b>Current liabilities</b>		<b>4.194.676</b>	<b>563.044</b>
<b>Total liabilities</b>		<b>4.194.676</b>	<b>563.044</b>
<b>Total liabilities and equity</b>		<b>4.734.517</b>	<b>635.506</b>

## Notes to the Annual Report

	<u>2004</u>	<u>2004</u>
	DKK	Euro
<b>1 Subsidies taken to income</b>		
Danida, other contracts 2004	320.738	43.052
EU Commission	4.115.567	552.425
EU Commission - Civil Forum	417.217	56.002
Danida 2004 Bridgingstøtte	1.990.787	267.219
Human Rights Review on Israel & EU	343.627	46.124
SIDA	372.199	49.960
Internation Development Partners	95.388	12.804
Foundation Rene Seydoux Civil Forum	48.758	6.545
Capasso Civil Forum	132.690	17.811
Böll Foundation	74.307	9.974
Holland European Cultural Foundation	74.242	9.965
Friedrich Ebert Stiftung Civil Forum	74.283	9.971
Belgian UM	52.150	7.000
Cyperm UM	111.750	15.000
Civil Forum (LUX)	424.610	56.995
	<u><b>8.648.313</b></u>	<u><b>1.160.847</b></u>
<b>2 Salaries and wages</b>		
Executive Director	561.303	75.343
Information Officer	381.870	51.258
Co-ordinator's	1.160.989	155.837
Brussels Co-ordinator	463.970	62.278
Student assistance	188.591	25.314
Researchers	152.572	20.479
Accountant	293.707	39.424
Social charges	27.463	3.686
Holiday Payment	290.573	39.003
Adjustment Holiday Payment	-50.938	-6.837
	<u><b>3.470.100</b></u>	<u><b>465.785</b></u>

## Notes to the Annual Report

	2004	2004
	DKK	Euro
<b>3 Activity expenses</b>		
Air Travel	1.509.783	202.655
Transport, airport/hotel	133.768	17.955
Rental of office & congress room	237.265	31.848
Rental of office regarding 2003	38.950	5.228
Working lunch, receptions, coffee breaks	30.849	4.141
Production of reports	73.291	9.838
Rental of interpretation equipment	103.563	13.901
Office equipment (purchase)	17.865	2.398
Author fees	27.254	3.658
Translation & proof reading	451.759	60.639
Consultant Civil forum	357.951	48.047
Honoraria, speakers & experts	163.327	21.923
Interpreters	291.388	39.112
Hostesses	3.886	522
Transport of material	4.114	552
Invitations, decoration, note pads, folders	41.465	5.566
Audit	50.000	6.711
Adjustments on last year audit	-3.750	-503
Audit assistance	20.000	2.685
Auditor report's on projects	68.050	9.134
Various expenses	3.710	498
	<b>3.624.488</b>	<b>486.508</b>
<b>4 Administrative expenses</b>		
Insurance	2.853	383
Office equipment	40.462	5.431
Communication	95.151	12.772
Charges/postage	36.805	4.940
Administration DIHR	235.921	31.667
Adjustment administration regarding previous years	-77.695	-10.428
	<b>333.497</b>	<b>44.765</b>
<b>5 Financial income</b>		
Interest income, banks	44.541	5.979
Currency adjustments	-17.774	-2.386
	<b>26.767</b>	<b>3.593</b>

## Notes to the Annual Report

	<u>2004</u>	<u>2004</u>
	DKK	Euro
<b>6 Cash at bank and in hand</b>		
Jyske Bank 1116283	2.394	321
Jyske Bank 1128866	19.641	2.637
Jyske Bank 1126720	1.132.198	151.973
Jyske Bank 1153625	247	33
Jyske Bank 1137107	1.751.158	235.055
Jyske Bank 1167815	236.986	31.810
Jyske Bank 1169316	1.247.610	167.464
Jyske Bank Diakonia HR review	21.805	2.927
Brussels	33.129	4.447
Petty Cash	3.486	468
	<b><u>4.448.654</u></b>	<b><u>597.135</u></b>
<b>7 Accured subsidies</b>		
Danida Bridgingstøtte, re. 2005	2.041.934	274.085
Sida Website re. 2005	413.320	55.479
Danida other contracts	353.584	47.461
	<b><u>2.808.838</u></b>	<b><u>377.025</u></b>
<b>8 Other liabilities</b>		
Current account DIMR	158.355	21.256
Reserve for holiday payment	317.124	42.567
Due A-income taxes	64.205	8.618
Due AM contribution	17.246	2.315
Due social charges	5.293	710
Interest to be paid back	14.927	2.004
Audit	50.000	6.711
Various liabilities	171.162	22.975
	<b><u>798.312</u></b>	<b><u>107.156</u></b>

## Notes to the Annual Report

### 9 Equity

The movements in the equity are specified as follows:

	<u>Retained profit/loss</u>	<u>Total</u>	<u>Euro</u>
Equity 1 January	510.533	510.533	68.528
Profit/(loss) for the period	29.308	29.308	3.934
Equity 31 December	<b><u>539.841</u></b>	<b><u>539.841</u></b>	<b><u>72.462</u></b>