

Euro Mediterranean Human Rights Network

CVR-no. 25 15 54 67

Annual Report for 2005

The Annual Report was presented
and adopted at the Board Meeting
of the Association on / 2006

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 2005.

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, 12 May 2006

Executive Director

Marc Schade-Poulsen

Supervisory Board

Kamel Jendoubi

Eva Norström

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 2005, 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 2005 of the Association and of the results of the Association's operations for the financial year 1 January - 31 December 2005 in accordance with the Danish Financial Statements Act.

Copenhagen, 12 May 2006

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 2005

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 2 years contract 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.

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

	Note	2005	2005
		DKK	EUR
Membership fees		742	100
Staff development		12.564	1.687
Other income		7.654	1.027
Subsidies received	1	8.578.650	1.151.497
Total operating income		8.599.610	1.154.311
Salaries and wages	2	4.501.235	604.193
Per diem		705.430	94.689
Other contributions		38.740	5.200
Activity expenses	3	2.859.590	383.838
Administrative expenses	4	472.886	63.475
Depreciation	6	20.521	2.754
Profit/loss before financial items		1.208	162
Financial income	5	34.245	4.597
Profit/loss for the year		35.453	4.759

Distribution of profit

The following amount is available for distribution:

Retained profit in previous years	0	0
Profit/loss for the year	35.453	4.759
Available for distribution	35.453	4.759

Which is proposed distributed as follows:

Retained profit/loss	35.453	4.759
Distributed	35.453	4.759

Balance sheet 31 December

Assets

	Note	2005 DKK	2005 EUR
Other fixtures and fittings, tools and equipment	6	348.860	46.827
Property, plant and equipment		348.860	46.827
Deposits		117.900	15.826
Fixed asset investments		117.900	15.826
Fixed assets		466.760	62.653
Current account, EMHR foundation		195.609	26.256
Prepaid expenses and deferred income		80.152	10.758
Debtors, subsidies		447.088	60.012
Receivables		722.849	97.026
Cash at bank and in hand	7	3.501.597	470.011
Current assets		4.224.446	567.037
Total assets		4.691.206	629.690

Balance sheet 31 December

Liabilities and equity

	Note	2005	2005
		DKK	EUR
Retained profit/loss		575.292	77.221
Equity	10	575.292	77.221
Prepaid grant support		40.380	5.419
Accrued subsidies	8	2.749.074	369.003
Other liabilities	9	1.098.690	147.475
Creditors		227.770	30.572
Short-term debt		4.115.914	552.469
Debt		4.115.914	552.469
Liabilities and equity		4.691.206	629.690

Notes to the Annual Report

	2005	2005
	DKK	EUR
1 Subsidies taken to income		
Ministry of Foreign Affairs Netherland	545	73
Novib	64.383	8.642
Danida, other contracts	191.378	25.688
Danida 2005 Bridgingstøtte	2.722.580	365.447
Danida 2005 NGO Network	419.010	56.243
Stiftung Open Society Institute	96.914	13.009
Danchurch Aid HR Review	350.000	46.980
Diakonia HR Review	24.993	3.355
ICCO. Netherland HR Review	189.994	25.503
Novib Netherland	111.750	15.000
SIDA	277.325	37.225
UNHCR HQ Treasury	503.860	67.632
Compensation of Sweden	74.500	10.000
Compensation of Ireland	149.000	20.000
Compensation of Netherland	1.490.040	200.005
Compensation of Luxembourg	111.750	15.000
Compensation of Hungary	37.250	5.000
Compensation of Greece	4.320	580
Civil Forum (Lux Contract)	1.759.058	236.115
	8.578.650	1.151.497
2 Salaries and wages		
Executive Director	578.820	77.694
Administration Officer	395.890	53.140
Co-ordinator's	1.514.996	203.355
Executive Officer	123.881	16.629
Brussels Co-ordinator	614.037	82.421
Student assistance	193.810	26.015
Journalists	314.181	42.172
Accountants	568.937	76.367
Researchers	244.099	32.765
Social charges	24.490	3.287
Holiday Payment	139.709	18.753
Wages refund	-211.615	-28.405
	4.501.235	604.193

Notes to the Annual Report

	2005	2005
	DKK	EUR
3 Activity expenses		
Air Travel	753.126	101.091
Transport, airport/hotel	74.954	10.061
Rental of office & congress room	289.102	38.806
Telephone Conference	7.893	1.059
Working lunch, receptions, coffee breaks	31.950	4.289
Production of reports	198.940	26.704
Rental of interpretation equipment	51.422	6.902
Purchase of Furniture	84.694	11.368
Purchase of Computer Equipment	14.066	1.888
Translation & proof reading	436.337	58.569
Consultant Civil forum	251.358	33.739
Honoraria, speakers & experts	186.766	25.069
Interpreters	167.694	22.509
Invitations, decoration, note pads, folders	41.288	5.542
Audits and assistance	270.000	36.242
	2.859.590	383.838
4 Administrative expenses		
Insurance	17.120	2.298
Office equipment	51.666	6.935
Communication	84.713	11.371
Charges/postage	26.987	3.622
Office supplies	76.377	10.252
Administration DCHR	95.104	12.766
Administration other	70.230	9.427
Other administration costs	50.689	6.804
	472.886	63.475
5 Financial income		
Interest income, banks	25.977	3.487
Currency adjustments	8.268	1.110
	34.245	4.597

Notes to the Annual Report

6 Property, plant and equipment

	<i>Other fixtures and fittings, tools and equipment</i>	<i>Other fixtures and fittings, tools and equipment</i>
	DKK	EUR
Cost at 1 January	0	0
Additions for the year	369.381	49.581
Disposals for the year	0	0
Cost at 31 December	369.381	49.581
Impairment losses and depreciation at 1 January	0	0
Depreciation for the year	20.521	2.754
Impairment losses and depreciation at 31 December	20.521	2.754
Carrying amount at 31 December	348.860	46.827
Depreciated over	3 years	3 years
	2005	2005
	DKK	EUR
7 Cash at bank and in hand		
Jyske Bank 1116283	1.506.809	202.256
Jyske Bank 1128866	16.694	2.241
Jyske Bank 1126720	3.206	430
Jyske Bank 1153625	286.287	38.428
Jyske Bank 1137107	6.649	892
Jyske Bank 1167815	106.931	14.353
Jyske Bank 1169316	655.312	87.961
Jyske Bank 1200624	130.468	17.512
Jyske Bank 1192722	101.648	13.644
Jyske Bank 1200640	420.379	56.427
Jyske Bank 1187706	153.143	20.556
Jyske Bank 1190742	4.008	538
Dexia Banque 3746684	82.153	11.027
Dexia Banque 5064445	89	12
Petty Cash	27.821	3.734
	3.501.597	470.011

Notes to the Annual Report

	2005	2005
	DKK	EUR
8 Accrued subsidies		
AENEAS	1.506.775	202.252
Ford Foundation	284.585	38.199
Sida web site	530.160	71.162
Danchurch Aid	84.617	11.358
Open Society	342.937	46.032
	2.749.074	369.003
9 Other liabilities		
Reserve for holiday payment	473.252	63.524
Due A-income taxes	111.727	14.997
Due AM contribution	27.467	3.687
Due social charges	5.805	779
Interest to be paid back	25.443	3.415
Audit	80.000	10.738
Various liabilities	374.996	50.335
	1.098.690	147.475

10 Equity

The movements in the equity are specified as follows:

	Retained profit/loss	Total	Total
	DKK	DKK	EUR
Equity 1 January	539.839	539.839	72.462
Profit/loss for the period	35.453	35.453	4.759
Equity 31 December	575.292	575.292	77.221