

Euro-Mediterranean Human Rights Network

Central Business Registration No: 25 15 54 67

Annual report 2010

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Association details

Association

Euro-Mediterranean Human Rights Network
Vestergade 16, 2.
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Denmark

Central Business Registration No: 25 15 54 67
Registered in: Copenhagen
Established: 1997

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Executive Committee

Kamel Jendoubi, President
Lone Lindholdt, Vice-President
Moataz El Fegiery, Treasurer
Michel Tubiana
Wadih-Ange Al-Asmar
Magaly Thill
Mari Lavrentiadou
Maysa Zorob
Mustafa Emrah Seyhanlioglu
Danial Saoud

Executive Director

Marc Schade-Poulsen

Auditor

Deloitte Statsautoriseret Revisionsaktieselskab

The Annual Report was presented and adopted at the General Assembly on

Statement by Management on the annual report

We have considered and adopted the annual report of the Euro-Mediterranean Human Rights Network for the financial year 1 January to 31 December 2010.

The annual report is prepared in accordance with the Danish Financial Statements Act. In our opinion, the financial statements give a true and fair view of the Company's financial position and results. Also, we believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

None of the Association's assets are pledged or burdened with owner reservation other than noted in the annual report, and there are no contingent liabilities which are not mentioned in the annual report.

Cairo, 24 June 2011


Executive Director


Marc Schade-Poulsen

Executive Committee

Kamel Jendoubi
President

Lone Lindholdt
Vice-President



Moataz El Feghery
Treasurer

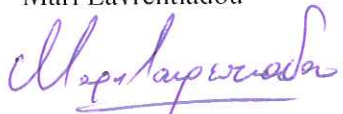
Michel Tubiana

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Danial Saoud

Independent auditor's report

To the Executive Committee of the Euro-Mediterranean Human Rights Network

Report on the annual report

We have audited the annual report of the Euro-Mediterranean Human Rights Network for the financial year 1 January to 31 December 2010, which comprises the statement by Management on the annual report, Management commentary, accounting policies, income statement, balance sheet and notes. The annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class A enterprises.

Management's responsibility for the annual report

Management is responsible for the preparation and fair presentation of an annual report in accordance with the Danish Financial Statements Act. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of an annual report that is 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.

Auditor's responsibility and basis of opinion

Our responsibility is to express an opinion on this annual report based on our audit. We conducted our audit in accordance with Danish Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the annual report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of an annual report in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the annual report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the annual report gives a true and fair view of the Association's financial position at 31 December 2010 and of its financial performance for the financial year 1 January to 31 December 2010 in accordance with the provisions of the Danish Financial Statements Act governing reporting class A enterprises.

Independent auditor's report

Independent auditor's review report on the performance audit

In connection with the financial audit of the annual report, we assessed whether appropriate economical management of EMHRN has been carried through in relation to the grants.

Management's responsibility

Management is responsible for the establishment of directions and procedures assuring that appropriate economical management of EMHRN has been carried through.

Auditor's responsibility and the performance audit

In accordance with public generally accepted auditing principles, we investigated whether EMHRN has laid down procedural rules for selected management areas in relation to the annual report that guarantee appropriate economical management of EMHRN. We have performed the audit to obtain limited assurance as to whether the management of the selected areas has been carried through in an economical way.

Opinion

Based on our performance audit, nothing has come to our attention that causes us to believe that the management in 2010 of the areas investigated by us has not been handled in an economical way.

Emphasis of matter

The productivity and efficiency aspect of the performance audit is difficult to quantify and thus make it the object of measurement in an organisation engaged in human rights work. We refer to Management's comments on this issue below in Management commentary.

Statement on the management commentary

Management is responsible for preparing a management commentary that contains a fair review in accordance with the Danish Financial Statements Act.

Our audit did not include the management commentary, but we have read it pursuant to the Danish Financial Statements Act. We did not perform any procedures other than those performed during the audit of the financial statements.

Based on this, we believe that the disclosures in the management commentary are consistent with the financial statements.

Copenhagen, 24 June 2011

Deloitte

Statsautoriseret Revisionsaktieselskab



Christian Dalmoose Pedersen
State Authorised Public Accountant



Knud Vestergaard
State Authorised Public Accountant

Management commentary

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

Main activity

The activity of the Association consists of protection and promotion of human rights in the Euro-Mediterranean region. For a further description of the activities, we refer to the EMHRN Annual Report of Activities 2010, which can be obtained at the office in Copenhagen.

The object of the Association is not to generate a profit and accumulate a larger equity.

The Association's aim is to carry out a balanced operation and live up to the requirements according to the grants received.

The financial development and activities during 2010

The minor loss for the year is in accordance with expectations. The financial development fulfils the expectations from the previous year.

Efficiency, productivity and equity

The annual report of activity shows that the EMHRN implemented its output commitments to donors with a high compliancy rate. Efficiency and productivity was ensured *inter alia* by carrying out meeting arrangements in line with donor requirements for per diems, accommodation and cheapest travel costs; ensuring that a minimum of three suppliers were consulted for contracts beyond EUR 5,000; and applying wage levels corresponding to trade union agreements with public bodies.

Quantifying efficiency and productivity is difficult in qualitative human rights work. However, reviews of the EMHRN's work have had no objections as to the efficiency and productivity of activities.

The current equity is on a level that corresponds to the fact that the EMHRN is a non-for-profit organisation basing its main revenues on taxpayer contributions through governmental and intergovernmental grants.

The EMHRN long-term strategy is to increase equity to a level allowing it to run independently for up to six months. In the meantime, deficits are avoided by weighing income against expenditure and matching employment as well as rent of offices accordingly.

The expected development

In 2010 the Association signed a three years contract with the EU Commission, two years contracts with the Danish Ministry of Foreign Affairs and SIDA (for 2010 and 2011) and one and a half year contract with Spanish MFA. Furthermore, the Association obtained project contracts with the EU Commission and other donors.

Management commentary

Current prospects for 2011, including core funding by the Danish Ministry of Foreign Affairs and the Swedish International Development Agency, as well as the employment of a fund raiser, indicate that the level of activity will remain on at least the 2010 level.

Events after the balance sheet date

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

Accounting policies

Basis of preparation

This annual report is prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class A enterprises with adjustments according to the established reporting requirements..

The accounting policy is unchanged compared to the previous year, except from the income statement, which so far has been classified by type of expenditure. As from 2010, the income statement is activity based in order to meet the reporting requirements. The comparative figures have been restated accordingly.

The annual report is presented in EUR based on an exchange rate of DKK 7.45.

Part of the Association's foreign currency accounts is in USD and DKK. The Association does not make hedging of the accounts, which means that currency risks are attached to the accounts.

Recognition and measurement

The financial statements have been prepared under the historical cost method.

Income is recognised as subsidies are received and used for the proper purposes. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost 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 will flow to the Association, and the value of the assets 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 measured at cost.

Income statement and balance sheet

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

Expenses paid prior to 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.

Plant and equipment are measured at cost minus accumulated depreciation.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when the asset is ready to be put into operation.

Accounting policies

The basis of depreciation is cost. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Computer equipment and other fixtures: 3 years

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

Liabilities are measured at nominal value.

Income statement for 2010

	Notes	2010 EUR		2009 EUR	
Subsidies taken to income	1	2.162.582	99,99%	2.001.988	99,9%
Membership fees		200	0,01%	1.160	0,1%
Total operating income		2.162.782	100%	2.003.148	100%
Activities and salaries in accordance to the workprogram					
Human Rights and Democratisation		564.431	26,1%	738.209	36,6%
Freedom of Associations		211.384	9,8%	185.552	9,2%
Activity		105.457		86.132	
Coordination and supportive staff		86.167		80.722	
Administrative staff		19.761		18.698	
Justice		185.841	8,6%	185.003	9,2%
Activity		69.879		79.579	
Coordination and supportive staff		95.469		87.084	
Administrative staff		20.493		18.341	
Women's rights, Gender equality and mainstreaming		150.116	7,0%	329.133	16,3%
Activity		50.405		196.229	
Coordination and supportive staff		72.222		84.180	
Administrative staff		27.488		48.724	
Human Rights Education Addressing Young People		17.090	0,8%	38.520	1,9%
Activity		2.144		1.682	
Coordination and supportive staff		12.850		34.227	
Administrative staff		2.097		2.611	
Human Rights and Human Security		424.627	19,7%	373.856	18,5%
Human Rights in the Middle East Conflict		172.313	8,0%	163.871	8,1%
Activity		50.671		58.225	
Coordination and supportive staff		107.330		90.716	
Administrative staff		14.312		14.930	
The Rights of Migrants, Refugees and Asylum Seekers		251.844	11,7%	208.806	10,4%
Activity		148.402		95.283	
Coordination and supportive staff		66.323		85.049	
Administrative staff		37.120		28.474	
Economic and Social Rights		471	0,0%	1.179	0,1%
Activity		0			
Coordination and supportive staff		471		1.179	
Administrative staff		0			
Working Groups Total		989.058	45,8%	1.112.065	55,1%
Communications	2	49.942	2,3%	63.026	3,1%
Activity		28.233		41.274	
Coordination and supportive staff		21.709		21.752	
Administrative staff		0			
Networking Total		1.039.000	48,1%	1.175.091	58,3%

Income statement for 2010

	Notes	2010 EUR		2009 EUR	
Membership Support		378.041	17,5%	155.462	7,7%
Solidarity		338.895	15,7%	128.574	6,4%
Activity		182.414		22.286	
Coordination and supportive staff		87.091		60.122	
Administrative staff		69.390		46.166	
Training		39.147	1,8%	26.888	1,3%
Activity		10.670		10.291	
Coordination and supportive staff		21.321		16.596	
Administrative staff		7.156			
Advocacy and dialog		193.397	9,0%	180.978	9,0%
Activity		1.016		555	
Coordination and supportive staff		147.237		149.525	
Administrative staff		45.143		30.899	
Partnership		4.128	0,2%	9.634	0,5%
Activity		4.128		9.634	
Coordination and supportive staff		0			
Administrative staff		0			
Executive Bodies and Membership		262.030	12,1%	253.081	12,5%
Activity		89.887		80.430	
Coordination and supportive staff		91.365		68.786	
Administrative staff		80.778		103.865	
Fundraising		79.651	3,7%	43.974	2,2%
Activity		5.278		1.643	
Coordination and supportive staff		74.373		42.331	
Administrative staff		0		0	
Total activities and salaries		1.956.247	90,6%	1.818.219	90,1%
Activity		748.583		683.241	
Coordination and supportive staff		883.927		822.269	
Administrative staff		323.737		312.708	
Administration		203.560	9,4%	198.796	9,9%
Staff development		16.616		11.038	
Audit		12.919		14.178	
Rent of Copenhagen office		42.493		43.035	
Rent of other offices etc.		41.583		37.567	
Depriciations	3	3.450		7.924	
Other administrative expenses	4	86.498		85.055	
Total expenses		2.159.807	100,0%	2.017.016	100,0%

Income statement for 2010

	Notes	2010 EUR	2009 EUR
Profit before financial items and extra ordinary income and expenses		2.975	(13.867)
Financial Expenses	5	(2.715)	3.222
Moroccan Tender		7.755	19.110
Contributions		(10.000)	0
Other income		27	0
Profit for the year		(1.959)	8.465
Proposed distribution of loss			
Retained profit		(1.959)	8.465
		(1.959)	8.465

Balance sheet at 31.12.2010

	<u>Notes</u>	<u>2010 EUR</u>	<u>2009 EUR</u>
Computer equipment and other fixtures	3	<u>5.494</u>	<u>8.944</u>
Property, plant and equipment		<u>5.494</u>	<u>8.944</u>
Deposits	3	<u>39.671</u>	<u>38.821</u>
Fixed asset investments		<u>39.671</u>	<u>38.821</u>
Fixed assets		<u>45.165</u>	<u>47.765</u>
Debtors	6	<u>138.758</u>	<u>121.896</u>
Receivables		<u>138.758</u>	<u>121.896</u>
Cash at bank and in hand	7	<u>1.852.237</u>	<u>1.377.761</u>
Current assets		<u>1.990.995</u>	<u>1.499.656</u>
Assets		<u>2.036.160</u>	<u>1.547.422</u>

Balance sheet at 31.12.2010

	<u>Notes</u>	<u>2010 EUR</u>	<u>2009 EUR</u>
Retained profit		70.895	72.854
Equity	8	<u>70.895</u>	<u>72.854</u>
Prepaid contributions	9	1.282.333	842.716
Accrued subsidies	10	508.685	441.933
Deposits		4.753	3.851
Other liabilities	11	169.495	186.069
Current liabilities		<u>1.965.265</u>	<u>1.474.568</u>
Total liabilities		<u>1.965.265</u>	<u>1.474.568</u>
Equity and liabilities		<u>2.036.160</u>	<u>1.547.422</u>

Notes

	<u>2010</u> <u>EUR</u>		<u>2009</u> <u>EUR</u>
1. Subsidies taken to income			
EU Commission Freedom of Association	115.594		136.940
EU Commission Migration	233.107		155.821
EU Commission Countries at risk (Solidarity)	295.814		86.053
SIDA 2010-2011, Core and activity	821.724		0
SIDA 2008-2009, Core and activity	0		783.234
SIDA Conference	19.774		234.471
SIDA, Website	0		5.231
Danida 2010-2011, Core and activity	416.107		
Danida 2008-2009, Core and activity	0		402.685
Agencia Espanola de Cooperacion Internacional	100.993		61.364
ACSUR	66.709		51.616
Le Ministère français des Affaires étrangères	0		59.000
Church of Sweden	16.616		9.674
Henrich-Boll-Stiftung	0		15.900
Ford Foundation	21.468		0
Arab Assoc.HR	8.000		0
Stiftung Open Society Institute	46.676		0
	<u>2.162.582</u>		<u>2.001.988</u>
2. Communication			
Expenses in connection with communication:			
Direct expenses	49.942		63.026
Salaries included in projects	57.848		58.562
Translations	59.453		58.760
Total Communication	<u>167.242</u>	7,7%	<u>180.348</u> 8,9%
3. Fixed assets			
Cost at 01.01.2010	38.821		82.109
Additions	850		0
Cost at 31.12.2010	<u>39.671</u>		<u>82.109</u>
Depreciation at 01.01.2010	0		(73.165)
Depreciation for the year	0		(3.450)
Depreciation at 31.12.2010	<u>0</u>		<u>(76.615)</u>
Carrying amount at 31.12.2010	<u>39.671</u>		<u>5.494</u>

Notes

	<u>2010</u> <u>EUR</u>	<u>2009</u> <u>EUR</u>
4. Other administrative expenses		
Purchase of furniture	1.387	2.361
Purchase of computer equipment	1.333	3.946
Office supplies	17.376	15.528
Computer supplies	2.768	1.638
Communication	15.510	13.642
Insurance	8.329	5.695
Currency and bank commission	5.071	9.399
Web/internet	3.910	3.164
Rental accounting program	0	1.465
Credit card fees	346	249
Securex Bruxelles	3.596	3.030
ADP Paris	937	804
Dataløn fees (external payroll service)	996	1.054
Legal assistance	5.731	8.171
Social charges	5.131	4.152
Changes in provisions, holiday pay	0	3.113
Other	14.079	7.643
	<u>86.498</u>	<u>85.055</u>
5. Financial expenses		
Interest income, banks	(110)	4.185
Currency adjustments	(2.605)	(962)
	<u>(2.715)</u>	<u>3.222</u>
6. Debtors		
Euro-Mediterranean Foundation of Support to Human Rights	24.673	26.929
Loan Euromed NGO Platform	0	10.000
Euromed Network	0	78.400
Agencia Espanola de Cooperacion Internacional	25.829	0
EU Commission	86.440	0
Others	1.816	6.567
	<u>138.758</u>	<u>121.896</u>

Notes

	<u>2010</u> EUR	<u>2009</u> EUR
7. Cash at bank and in hand		
Jyske Bank A/S, 7851 1116283	35.745	6.974
Jyske Bank A/S, 7851 1128866, DKK	(98)	16.933
Jyske Bank A/S, 7851 1126720	15.188	306
Jyske Bank A/S, 7851 1153625, USD	74.696	1
Jyske Bank A/S, 7851 1137107	82.878	4.704
Jyske Bank A/S, 7851 1167815	0	69
Jyske Bank A/S, 7851 1169316, DKK	4	4
Jyske Bank A/S, 7851 1200624, DKK	65.364	70.720
Jyske Bank A/S, 7851 1192722, DKK	9.843	11.499
Jyske Bank A/S, 5078 103082-5 SEK	0	842.716
Jyske Bank A/S, 7851 1187706	70.298	70.298
Jyske Bank A/S, 7851 1217651	805.761	3.260
Jyske Bank A/S, 7851 1235620	58.606	118.606
Jyske Bank A/S, 7851 1241909, DKK	7.882	197.252
Jyske Bank A/S, 5078 1013870	92.234	384
Jyske Bank A/S, 7851 124953-0	299.169	0
Jyske Bank A/S, 5078 100909-2	153.433	0
Jyske Bank A/S, 5078 106227-3, DKK	5.101	0
Dexia Banque, 3746684 and 5064445	37.644	3.996
Credit Paris 41020013019	33.269	24.173
AlhiBankAmman 107663 USD	1.409	0
Petty cash	3.813	5.866
	<u>1.852.237</u>	<u>1.377.761</u>

Notes

	<u>2010</u> EUR	<u>2009</u> EUR
8. Equity		
Equity at 01.01.2010	72.854	64.389
Profit for the year	(1.959)	8.465
	<u>70.895</u>	<u>72.854</u>
9. Prepaid contributions		
SIDA	866.226	842.716
Danida	416.107	0
	<u>1.282.333</u>	<u>842.716</u>
10. Accrued subsidies		
SIDA website and conference	1.337	33.994
EU Commission	415.137	264.898
Agencia Espanola de Cooperacion Internacional	0	75.164
Ford Foundation 2009/10	27.360	48.828
ACSUR	2.340	19.049
Stiftung Open Society Institute	62.511	0
	<u>508.685</u>	<u>441.933</u>
11. Other liabilities		
Due income taxed at source, social security contributions, soc	24.942	34.177
Reserve for holiday pay	67.600	67.600
Holiday pay, other	1.221	4.058
Interest to be paid back	1.810	2.084
Audit and assistance	24.732	17.198
Others	49.191	60.951
	<u>169.495</u>	<u>186.069</u>