

Independent Auditor's report to the general meeting of European Christian Political Movement for the year ended 31 December 2015

In accordance with our service contract dated 7 December 2012 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 scrl. This report includes the opinion on the balance sheet as at 31 December 2015, the income statement for the year ended 31 December 2015 and the Notes (all elements together "the Annual Accounts") 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.

Report on the Annual Accounts - Unqualified opinion

We have audited the Annual Accounts of European Christian Political Movement ("the Entity") as of and for the year ended 31 December 2015, prepared in accordance with the financial-reporting framework applicable in the Netherlands (the Guideline for annual reporting 640 'Not for-profit organisations' of the Dutch Accounting Standards Board), we have audited the final statement of eligible expenditure actually incurred for the period of eligibility defined by the grant award decision of European Christian Political Movement, and prepared in accordance with the rules and regulations applicable to funding of political parties and foundations at European level.

The Annual Accounts show a balance sheet total of € 122.931 and the income statement shows a profit for the year of € 3.610. The profit of the year has been transferred to the Specific Reserve Account. Reserve accumulated (including the result of the year) amount to € 17.880 and a carry-over to € 62.224.

Responsibility of the Members of the Board for the preparation of the Annual Accounts

The Members of the Board are responsible for the preparation of Annual Accounts that give a true and fair view in accordance with the financial-reporting framework as applicable in the Netherlands (the Guideline for annual reporting 640 'Not for-profit organisations' of the Dutch Accounting Standards Board). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation of Annual Accounts that give a true and fair view and 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 given circumstances.

The Members of the Board are 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.

Responsibility of the Auditor

Our responsibility is to express an opinion on these Annual Accounts, based on our audit. Furthermore, with respect to the final statement of eligible expenditure, it is our responsibility 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 International Standards on Auditing (“ISAs”). Those standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Annual Accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and Notes in the Annual Accounts. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Annual Accounts, 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 the Annual Accounts that give a true and fair view, 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 Entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used, the reasonableness of significant accounting estimates made by the Members of the Board, as well as evaluating the overall presentation of the Annual Accounts.

We have obtained from the Members of the Board and the Entity’s officials the explanations and information necessary for performing our audit procedure and 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.

Unqualified Opinion

In our opinion, the Annual Accounts (i.e. balance sheet, income statement and Notes) give a true and fair view of the Entity’s net equity and financial position as at 31 December 2015 and of its results for the year ended, prepared in accordance with the financial-reporting framework applicable in the Netherlands (the Guideline for annual reporting 640 ‘Not for-profit organisations’ of the Dutch Accounting Standards Board), and the final statement of eligible expenditure has been prepared in accordance with the rules and regulations applicable to funding of political parties and foundations at European level.

Report on other legal and regulatory requirements

The Members of the Board are responsible for the compliance by the Entity of the legal and regulatory requirements applicable in the Netherlands, its articles of association, the legal and regulatory requirements regarding bookkeeping and the provisions of the European Parliament’s grant award decision, Regulation (EC) No 2004/2003 and the underlying acts.

We make the following additional statements, which do not modify the scope of our opinion on the Annual Accounts:

- ▶ the financial documents submitted by the European Christian Political Movement 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;

- ▶ any surplus carried over to the next financial year has been used in the first quarter of the financial year, pursuant to Article 6a of the Bureau decision of 29 March 2004;
- ▶ the obligations arising out of Article 125(5) and (6) of the Financial Regulation have been met;
- ▶ the contributions in kind have actually been provided to the beneficiary and have been valued in compliance with the applicable rules.

Diegem, 18 April 2016

Ernst & Young Réviseurs d'Entreprises scrl
Auditor
represented by

[Signed in original by Danielle Vermaelen on 18 April 2016]

Danielle Vermaelen
Partner*
* Acting on behalf of a BVBA/SPRL

16DV0640

European Christian Political Movement



Financial Report 2015

[Handwritten signature]
G. S. van Buren

ECPM

Contents	Page
General Information	3
Balance sheet 31 december 2015	4
Statement of Income and Expenditures	5
Notes to Financial Statements	6
Annexes	7

General Information

Financial report 2014 approved

At the General Assembly, held on May 29th, the financial report 2014 has been approved including all small changes made with regard to EP services comments. The result of the financial year 2014: 4.013 has been added to the EP-reserve.

ECPM

The name of the association (legal form) is European Christian Political Movement (ECPM). It has its registered office in The Hague, the Netherlands. The objectives of the association are to reinforce Christian politics on a European, national, regional and local level.

Board at 31 December 2015

chairman: Peter Östman (board member since 7 June 2012)
vice-chairman: George Rukhadze (board member since 7 June 2012)
member: Vladimir Plamadzeala (since 12 June 2009)
member: Stieneke van der Graaff (since 9 June 2013)
member: Benjamin Harnwell (since 7 June 2012)
member: Branislav Skripek (since 25 October 2014)

Due to geographical distance it was practically not feasible to sign the financial reports.

Meetings in 2015:

The ECPM had one General Assembly one in May 2014 in Seeb, Germany another one was planned for December one but was cancelled due to security reasons.

The board had meetings on: 28 May, 24 August, 19 October and 1 December.

All ECPM events are in the 2015 ECPM yearbook.

Committee ex Article 15(4)

According to Article 15(4) of the Statutes shall the congress appoint a committee consisting of at least two persons, not being board members, to audit the board's report and report its findings to the congress. For the year 2015 an external auditor audited the annual accounts and issued an unqualified auditor's opinion.

ECPM

Balance Sheet 31 december 2015

	2015		2014	
	€	€	€	€
ASSETS				
Fixed Assets		2.349		3.155
Current Assets				
European Parliament grant	92.190		77.507	
Other Assets	6.621		4.757	
Membership fees	6.500		1.438	
		105.311		83.702
Cash and cash equivalents				
Rabobank 11.38.70.159	15.270		9.943	
Rabobank 31.76.676.654	1		3.000	
Creditcard				
Cash		15.271		8.943
		122.931		95.800

	2015		2014	
	€	€	€	€
LIABILITIES & EQUITY				
Reserves				
General reserve	3.077		3.077	
Specific EP reserve	17.880		14.270	
		20.957		17.347
Provision carry-over Q1 next year		62.224		12.367
Current Liabilities				
Creditors	15.538		17.151	
Short-term Loans	-		40.000	
Taxes	9.630		3.207	
Holiday allowance payable	8.473		4.210	
Other liabilities	6.109		1.518	
		39.750		66.086
		122.931		95.800

Statement of Income and Expenditures

	2015	Budget 2015	2014
	C	E	L
Revenue			
D.2 European Parliament grant	460.950	525.000	387.534
D.3 Membership fees			
3.1 from member parties	28.020	9.000	14.604
3.2 from individual members	2.496	500	1.165
D.4. Donations			
4.1 above 500 EUR	22.647	45.000	36.101
4.2 below 500 EUR	13.382	15.000	8.078
D.5 Other own resources (to cover expenditure)	17.982	14.000	7.564
D.6 Contributions in kind	2.019	10.000	5.591
E.1. Additional own resources	12.367	-	14.518
D. TOTAL REVENUE	559.863	618.500	475.155
Expenditure			
A.1: Personnel costs			
1. Salaries	186.822	180.000	122.011
2. Contributions	-	10.000	-
3. Professional training	1.110	6.000	-
4. Staff missions expenses	3.673	8.000	11.535
5. Other personnel costs	13.648	15.000	10.128
	205.254	219.000	143.674
A.2: Infrastructure and operating costs			
1. Rent, charges and maintenance costs	21.040	25.000	16.869
2. Costs relating to installation, operation and maintenance	1.621	3.800	3.237
3. Depreciation of movable and immovable property	1.410	2.500	970
4. Stationery and office supplies	3.243	4.000	1.970
5. Postal and telecommunications charges	8.279	7.500	9.986
6. Printing, translation and reproduction costs	118	6.000	3.023
7. Other infrastructure costs	720	8.000	2.616
	36.432	51.800	38.621
A.3: Administrative expenditure			
1. Documentation costs (newspapers, press agencies, etc)	219	5.000	-
2. Costs of studies and research	-	5.000	1.500
3. Legal costs	186	2.500	-
4. Accounting and audit costs	4.080	5.000	3.708
5. Support to affiliated organisations and subsidies to them	22.750	40.000	20.000
6. Miscellaneous administrative costs	704	1.000	1.402
	27.939	58.500	26.610
A.4: Meetings and representation costs			
1. Costs of meetings of the political party	186.541	178.000	122.919
2. Participation in seminars and conferences	2.964	6.000	2.788
3. Representation costs	-	5.000	1.437
4. Costs of invitations	311	5.000	-
5. Other meeting-related costs	-	6.000	3.541
	189.816	200.000	130.685
A.5: Information and publication costs			
1. Publication costs	9.093	10.000	1.089
2. Creation and operation of Internet sites	3.394	20.000	5.189
3. Publicity costs	12.382	15.000	3.582
4. Communications equipment (gadgets)	4.108	6.000	3.409
5. Seminar and exhibitions	2.000	20.000	-
6. Election campaigns	-	5.000	99.623
7. Other information-related costs	-	3.200	-
	30.978	79.200	112.892
A.6: expenditure relating to contributions in kind	2.019	10.000	5.591
Allocation to "Provision to cover eligible expenditure to be incurred in the first quarter of N+1"	62.224	-	12.367
A. TOTAL ELIGIBLE EXPENDITURE	554.661	618.500	470.440
B.1 Non-eligible expenditure			
1. Allocations to other provisions	-	-	702
2. Financial charges	53	-	-
3. Exchange losses	1.200	-	-
4. Doubtful claims on third parties	-	-	-
5. Others (to be specified)	340	-	-
	1.592	-	702
B. TOTAL NON ELIGIBLE EXPENDITURE	1.592	-	702
C. TOTAL EXPENDITURE	556.253	618.500	471.142
PROFIT	3.610	-	4.013

Notes to Financial Statements

Statement of accounting Policies:

General

The accounting principles used are based on historical costs. The financial statements have been prepared in accordance with the Guidelines for annual reporting 640 'Not-for-profit organisations'. The financial statements were prepared on March 29th, 2016. There were no changes in accounting policies. The financial statements are prepared to assist European Christian Political Movement to comply with Part B: Financial Provisions of the grant award decision dated December 17, 2014.

Basis of Accounting

The accompanying financial statements are presented in accordance with the accrual basis of accounting, whereby; revenue is recognized when earned and expenses are recognized when incurred.

Tangible fixed assets in use by the company are carried at the costs of acquisition net of accumulated depreciation. Depreciation is calculated on a straight-line basis over their expected useful economic lives, taking into account their residual value. Receivables are carried at face value net of a provision for doubtful debts where necessary. Cash at bank and in hand are carried at face value. The provision carry-over is calculated in accordance with Part B: Financial Provisions of the grant award decision. Current liabilities are carried at face value.

The gross operating result represents the grant from the European Parliament, memberships fees, donations, other own resources, contributions in kind and additional own resources. Interest income is recognised pro rata in the profit and loss account, taking into account the effective interest rate for the asset concerned. Expenses are determined with due observance of the aforementioned accounting policies and allocated to the financial year to which they relate. Interest is allocated to successive financial reporting periods in proportion to the outstanding principal.

Comparable figures

The comparable figures are adjusted in accordance with 2014 classification for better understanding and presentation.

Notes to the balance sheet

Reserves

The established reserves can be kept for an unlimited period or can also be fully or partially dissolved in any year to cover (non-)eligible expenditure. The 'specific EP' reserve has been established in accordance with the guidance given by the EP services.

General reserve

	€
General reserve at 1 January 2015	3,077
Generated in financial year 2015	-
General reserve at 31 December 2015	<u>3,077</u>

Specific (European Parliament) reserve

	€
Generated in financial year 2010	-
Generated in financial year 2011	3,907
Generated in financial year 2012	587
Generated in financial year 2013	5,763
Generated in financial year 2014	4,013
Specific reserve at 31 December 2014	<u>14,270</u>
Generated in financial year 2015	3,610
Specific reserve at 31 December 2015	<u>17,880</u>

Arrangements not shown in the balance sheet

According to Dutch law, the rental commitment for the coming year should be mentioned: ECPM has a rental commitment for office space until March 15, 20120 of € 27,623

Notes to statement of Income and Expenditures

The European Parliament grant is recognized for the full amount of the contract with the European Parliament for 2015. This grant is based on an annual application. The provisions for this grant are laid down in the grant decision FINS-2015-10 dated 17-12-2014. The Final report over 2014 has been approved by the European Parliament on 08-10-2015.

Analytical review of budget versus actual

The differences between budget and actual are:
The Budget was lower than applied for, to have maximum benefit from changes made in the total grant. All other costs are lower than in the budget because the budget is lower. The Board and Director adapted the budget after award decision.

A.1.1. Salaries

According to Dutch and Belgian law the costs of personell have to be split in:

	2015	2014
	€	€
Dutch Salaries	116.491	105.648
Belgian Salaries	10.534	-
Dutch social security (wn-verz)	19.881	16.363
Belgian social security (RSZ)	2.901	-
Other personell costs	<u>35.229</u>	<u>-</u>
	<u>185.036</u>	<u>122.011</u>

The average number of staff employed by the Movement in 2015 was 5 (NL)+2(BE) (2014: 4 NL)

D.3.1. Membership fee of Member parties and organizations

ChristenUnie	Netherlands	1.460
EVP	Switzerland	960
SGP	Netherlands	1.460
Bundnis C-Auf	Germany	300
Bundnis C-PBC	Germany	400
PPCD	Moldova	100
FICDD donation	Netherlands	5.000
UBB	Romania	3.500
Bundnis C	Germany	240
LP Christian (CDI)	France	5.000
Hrast	Kroatia	4.000
Prawica Rzeczypospolite)	Poland	1.500
Le XII Solidaire	France	4.100
		<u>28.020</u>

D.4.1. Donations above € 500

Missie Nederland support	5.000
Evangelische (VP) donation	700
Stichting Philippos steun	1.000
Family and Life Movement Ltd	5.000
A-Partners Donation	4.132
ChristenUnie Gift	1.500
Europartners donation	2.000
EDW donation	2.500
Studer donation	815
	<u>22.647</u>

Annexes**Annex 1 Members and associates at December 31, 2018**

Armenia	Christian Democratic Union of Armenia
Croatia	H-rast
Estonia	Estonian Christian Democrats
France	Christian Democratic Party (PCD)
Georgia	Christian Democratic People's Party
Germany	BundnisC
Latvia	Christian-Democratic Union
Netherlands, the	ChristenUnie
Netherlands, the	Reformed Political Party (SGP)
Moldova	People's Party
Poland	Right Wing of the republic
Romania	Union of Bulgarians in the Banat
Switzerland	Evangelical People's Party
Ukraine	Christian Democratic Union of Ukraine
United Kingdom	Christian Peoples Alliance

EXPENDITURE		Budget	Actual
Eligible expenditure			
A.1: Personnel costs		219,000.00	205,253.00
1. Salaries		180,000.00	185,822.00
2. Contributions		10,000.00	1,110.00
3. Professional training		6,000.00	3,672.00
4. Staff mission expenses		8,000.00	13,644.00
5. Other personnel costs		15,000.00	0.00
A.2: Infrastructure and operating costs		31,800.00	36,431.00
1. Rent, charges and maintenance costs		25,000.00	21,040.00
2. Costs relating to the installation, operation and maintenance of equipment		3,800.00	1,821.00
3. Depreciation of movable and immovable property		2,500.00	1,410.00
4. Stationery and office supplies		4,000.00	3,243.00
5. Postal and telecommunications charges		2,500.00	6,279.00
6. Printing, translation and reproduction costs		8,000.00	118.00
7. Other infrastructure costs		8,000.00	720.00
A.3: Administrative expenditure		58,500.00	27,839.00
1. Documentation costs (newspapers, press agencies, databases)		5,000.00	219.00
2. Costs of studies and research		5,000.00	0.00
3. Legal costs		2,500.00	185.00
4. Accounting and audit costs		5,000.00	4,080.00
5. Support to affiliated organisations and subsidies to third parties		40,000.00	22,750.00
6. Miscellaneous administrative costs		1,000.00	704.00
A.4: Meetings and representation costs		200,000.00	189,816.00
1. Costs of meetings of the Foundation		178,000.00	186,541.00
2. Participation in seminars and conferences		6,000.00	2,984.00
3. Representation costs		5,000.00	0.00
4. Cost of invitations		5,000.00	311.00
5. Other meeting-related costs		8,000.00	0.00
A.5: Information and publication costs		79,200.00	30,975.00
1. Publication costs		10,000.00	9,093.00
2. Creation and operation of internet sites		20,000.00	3,384.00
3. Publicity costs		15,000.00	12,382.00
4. Communications equipment (gadgets)		8,000.00	4,110.00
5. Seminars and exhibitions		20,000.00	2,000.00
6. Election campaigns ¹		5,000.00	0.00
7. Other information-related costs		3,200.00	0.00
A.6: Expenditure relating to contributions in kind		10,000.00	2,019.00
A.7: Allocation to "Provision to cover eligible expenditure to be incurred in the first quarter of N+1"			62,224.00
A. TOTAL ELIGIBLE EXPENDITURE		618,500.00	554,861.00
B.1: Non-eligible expenditure		0.00	1,592.00
1. Allocations to other provisions		0.00	0.00
2. Financial charges		0.00	53.00
3. Exchange losses		0.00	1,200.00
4. Doubtful claims on third parties		0.00	0.00
5. Others (to be specified)		0.00	339.00
B. TOTAL NON-ELIGIBLE EXPENDITURE		0.00	1,592.00
C. TOTAL EXPENDITURE		618,500.00	556,253.00

REVENUE		Budget	Actual
D.1: Dissolution of "Provision to cover eligible costs to be incurred in the first quarter of N+1"			12,387.00
D.2: European Parliament grant		525,000.00	480,950.00
D.3: Membership fees		9,500.00	30,516.00
3.1 from member parties		9,000.00	28,020.00
3.2 from individual members		500.00	2,465.00
D.4: Donations		60,000.00	36,029.00
4.1 above 500 EUR		45,000.00	22,647.00
4.2 below 500 EUR		15,000.00	13,382.00
D.5 Other own resources (to cover eligible expenditure) (to be listed)		14,000.00	17,982.00
D.6 Contributions in kind		10,000.00	2,019.00
D. REVENUE (to cover eligible expenditure)		618,500.00	559,863.00
E.1 Additional other own resources (to cover non-eligible expenditure) (to be listed)			
E. REVENUE (to cover non-eligible expenditure)			
F. TOTAL REVENUE		618,500.00	559,863.00
G. Provisions (H-C)			

H.1 Allocation of own resources to the specific reserve account¹	0.00	3,510.00
H. Provisions for verifying compliance with the no-profit rule (G-H.1)¹	0.00	0.00


 European Christian Political Movement
 European Christian Political Movement



¹: Not applicable to political foundations at European level