

FRANK HUYBRECHTS
BEDRIJFSREVISOR

**Financial Audit Report
for the year ended December 31, 2011**

**PARTY OF THE EUROPEAN LEFT ASBL
RUE PARNASSE 30
1050 BRUXELLES
BELGIUM**

Convention FINS-2011-5

BEDRIJFSREVISOR FRANK HUYBRECHTS BVBA

Beekhoek 13 - 2440 GEEL - Belgium
Tel: +32 (0)495/50.82.99 – Fax: +32 (0)485/81.20.20
Email: FH@Bedrijfsrevisor-Huybrechts.be

Ondernemingsnummer 0889.872.951 – ING 363-0163175-61

According to the audit mandate, I have audited the financial statements, the balance sheet and the profit and loss account for the period of eligibility defined by the grant agreement of PARTY OF THE EUROPEAN LEFT ASBL prepared by its accountant for the year ending December 31, 2011 as laid out on pages 4 to 6 of this document.

1. Respective responsibilities of the party and the auditors

The Party is responsible to 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. It is further responsible for the preparation of its annual financial statements.

I have the responsibility to plan and carry out the required work to verify the financial statements prepared by the Party and to report to the Party with a reasonable assurance our audit opinions.

2. Basis of Opinions

I conducted the audit in accordance with International Standards on Auditing issued by the International Auditing and Assurance Standard Board (IAASB). This standard requires the auditor to plan and carry out his work in a way to obtain sufficient and appropriate evidences and explanations to support his audit opinions. An audit includes an examination, on a sample basis, of evidence relevant to these opinions.

The audit work included specific procedures to gather sufficient and appropriate audit evidence that

- the financial statements have been prepared in accordance with the national legislation applicable to the Party, are free of material misstatement and show a true and fair view of the financial position and the operating results;
- the financial documents submitted by the Party to Parliament are consistent with the financial provisions of the grant agreement;
- the expenditure declared was actually incurred;
- the statement of revenue is exhaustive;
- the obligations arising out of Articles 6, 7, 8, 9(2) and 10(2) of Regulation (EC) No 2004/2003 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;
- the obligations arising out of Article 109(4) of the Financial Regulation have been met;
- the obligations arising from Article II.12 - *Eligible expenditure*, of the grant agreement have been met;
- the obligations arising from Article II.7 - *Award of contracts*, of the grant agreement have been met;



3. Opinions

In our opinion,

- the financial statements have been prepared in accordance with the national legislation applicable to the beneficiary, are free of material misstatement and show a true and fair view of the financial position and the operating results;
- the financial documents submitted by the Party to Parliament are consistent with the financial provisions of the grant agreement;
- 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 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;
- the obligations arising out of Article 109(4) of the Financial Regulation have been met;
- the obligations arising from Article II.12 - Eligible expenditure, of the grant agreement have been met and we were able to reconcile the eligible expenditure with the financial statements;
- the obligations arising from Article II.7 - Award of contracts, of the grant agreement have not been met for every expenditure above 5.000,00 EUR: the total amount for which no formal offers were asked amount to 257.492,31 EUR. Although no formal offers were asked for these expenditures, the Party made the analysis to buy at the best quality/price report;
- We have received all necessary explanations for the purpose of our work.

This report replaces an earlier audit opinion dated June 28, 2012.

Appendices: 5 pp

- **Financial Statements as of December 31, 2011**
- **Budget 2011**
- **Eligible expenses for the carry-over period 1/1/2012-31/3/2012 (audited)**

Geel, August 9, 2012

BEDRIJFSREVISOR FRANK HUYBRECHTS BURG BVBA

Represented by



Frank Huybrechts



Parti de la Gauche Européenne (Company : 003)
Balance sheet in T-shape by 31/12/2011 in EUR
Financial year of (01/01/2011 - 31/12/2011)

P. 1/3
 09/08/12

ASSETS		LIABILITIES	
FIXED ASSETS		CAPITAL AND RESERVES	
Tangible assets		Accumulated results	24.799,81
Plant, machinery and equipment	3.880,98	Accumulated losses	24.799,81
231000 Plant, machinery and equipment	24.496,04	141000 Accum. losses(-)	
231009 Plant, machinery and equipment: Depreciation	20.615,06-		
Furniture and vehicles	3.772,86	CREDITORS	
241000 Office furniture	6.780,40	Amounts payable within one year	
241009 furniture en vehicles: depreciation	3.007,54-	Trade debts	71.238,70-
Financial assets	4.943,08	440000 Suppliers	40.383,70-
Other financial assets	4.943,08	444000 Invoices to be received	30.855,00-
255000 Cash guarantees	4.943,08	Taxes, remuneration and social security	24.384,93-
		454000 Social Security Contrib.	5.150,00-
CURRENT ASSETS		455000 Remuneration	484,25
Amounts receivable within one year	217.536,95	456000 Ho/Stay pay	19.719,18-
Trade debtors	177.717,43	Accrued charges and deferred income	159.310,05-
400000 Customers	8.300,00	493000 Carry-over grant EP	
407000 Doubtful amounts	8.300,00		
407900 Booked amounts written off memberships	20.500,00-	TOTAL LIABILITIES	230.133,87-
Other amounts receivable	169.417,43		
414100 subsidies to be received	169.417,43		
Cash in bank and in hand	19.773,93		
550000 KBC Bank EUR	19.330,15		
550060 Payrol	179,23		
570000 Cash in hand	250,98		
570010 Petty Cash ILS	13,57		
Defer. charges and accrued income	20.045,59		
490000 Deferred charges	20.045,59		
TOTAL ASSETS	230.133,87	PROFIT	0,00

Parti de la Gauche Européenne (Company : 003)
Balance sheet in T-shape by 31/12/2011 in EUR
Financial year of (01/01/2011 - 31/12/2011)

p. 2/3
09:08:12

COSTS		PROFIT	
OPERATING CHARGES		OPERATING INCOME	
Services and other goods		Other operating income	
011000 Rent	21.338,12	743000 Subsidies	946.936,00
011010 Maintenance	3.018,29	743002 EL Summer university	15.435,84
012100 Water - Electricity	1.615,40	743010 Carry-over grant EP	159.310,05
012200 Documentation costs	1.994,60	744000 Memberships	225.222,16
012210 Publications legales	114,50	749002 Personal contribution lunch Vouchers	245,68
012220 Website	70,05	749024 Recuperation withholding tax	1.223,51
012300 Office supplies	2.927,33		
012310 Printed matters	44.387,53		
012312 Rent meeting room	1.281,50		
012313 Catering	18.861,23		
012320 Post	2.155,64		
012330 Translations and interpreters	65.013,14		
012340 Publicity	16.180,61		
013100 Phone, fax, internet	5.673,49		
013210 Fees	34.089,27		
013215 Fees social secretary	2.871,63		
013500 Travel expenses: plane, train, tram, tax...	189.530,02		
013510 Travel expenses: Hotels	113.400,21		
014100 Insurances	163,75		
015040 Congress - events	117.588,93		
015200 Resto	2.468,40		
Remuneration, social security costs and pensions	179.451,20		
020200 Salaried staff	142.618,13		
021000 Empl contrib. soc. secur.	37.373,85		
023020 Meal vouchers	840,00		
023110 Medical costs	798,19		
023200 Carben costs	18,29		
023310 Costs for the employer	4.270,00		
023310 Provision holiday pay	6.367,26		
Depreciation and other amounts written off formation expenses, intangible and tangible fixed assets	3.362,80		
630210 Depreciation installations	2.694,55		
630220 Depreciation office furniture	678,05		
Amounts written off stocks, contracts in progress and trade debtors (increase +, decrease -)	20.500,00		
Other operating charges	20.500,00		
643000 Increase (+) in amounts written off memberships	19,78		
643000 Withholding tax	19,78		
OPERATING PROFIT	70.678,55	FINANCIAL INCOME	169.16-
FINANCIAL CHARGES	7.620,20	Income from current assets	131.06-
Inter. and other debt charges	5.541,88	751000 Income current assets	131.06-
650000 Interest/charges/debt	2.078,34	Other financial income	37.48-
Other financial charges	5.541,88	754000 Realized exchange gains	29.00-
654000 Realized exchanges losses	6,29	757010 Payment differences	7.68-
657000 Other financial charges	30,57		
656000 Bankcharges	2.041,48		

COSTS		PROFIT	
	63.227,91-		7.451,04
Profit on ordinary activities, before taxes			
EXTRAORDINARY CHARGES	832,49-		
Other extraordinary charges	832,49-		
664000 Other extraord. charges	832,49-		
EXTRAORDINARY PROFIT			
Profit for the year, before taxes	64.060,40-		
Profit for the year	64.060,40-		
Profit for the year available for appropri.	64.060,40-		
		Loss brought forward	88.860,21
		660000 Losses brought forward	88.860,21
		LOSSES TO BE APPROPRIATED	24.799,81
		Loss to be carried forward	24.799,81-
		783000 Loss be carried forward	24.799,81-
		RESULT APPROPRIATION	24.799,81-
		INCOME STATEMENT	0,00
		BALANCE AND INCOME STATEMENT	0,00
TOTAL	0,00		

Parti de la Gauche Européenne (Company : 003)
Balance sheet in T-shape by 31/12/2011 in EUR
Financial year of (01/01/2011 - 31/12/2011)

p. 3/3
09/08/12



Budget 2011

REVENUE		
	Budget	Actual
D.1 Dissolution of "Provision to cover eligible costs to be incurred in the first quarter of N" ¹		
D.2 European Parliament grant	846.936,00	846.936,00
D.3 Membership fees	182.892,00	225.222,16
3.1 from member parties	182.892,00	225.222,16
3.2. from individual members		
D.4 Donations	0,00	0,00
4.1 above 500 EUR		
4.2 below 500 EUR		
D.5 Other own resources (to cover eligible expenditure) (to be listed)		15.435,84
other own resources		15.435,84
D.6 Contributions in kind		
D. REVENUE (to cover eligible expenditure)	1.029.828,00	1.087.594,00
E.1 Additional other own resources (to cover non-eligible expenditure) (to be listed)		
E. REVENUE (to cover non-eligible expenditure)	0,00	0,00
F. TOTAL REVENUE	1.029.828,00	1.087.594,00
G. Profit/loss (F-C)	0,00	64.060,40

EXPENDITURE		
	Budget	Actual
Eligible expenditure		
A.1: Personnel costs	204.000,00	181.244,94
1. Salaries	€95.000,00	135.521,38
2. Contributions	€84.000,00	44.615,78
3. Professional training	€10.000,00	0,00
4. Staff mission expenses	€5.000,00	0,00
5. Other personnel costs	€10.000,00	1.107,78
A.2: Infrastructure and operating costs	40.000,00	38.870,83
1. Rent, charges and maintenance costs	€25.000,00	26.063,06
2. Costs relating to the installation, operation and maintenance of equipment	€2.000,00	278,18
3. Depreciation of movable and immovable property	€2.000,00	3.362,60
4. Stationery and office supplies	€2.000,00	1.261,87
5. Postal and telecommunications charges	€2.000,00	7.108,15
6. Printing, translation and reproduction costs	€4.000,00	384,78
7. Other infrastructure costs	€3.000,00	412,19
A.3: Administrative expenditure	42.000,00	30.701,69
1. Documentation costs (newspapers, press agencies, databases)	€4.000,00	392,10
2. Costs of studies and research	€4.000,00	0,00
3. Legal costs	€2.000,00	114,59
4. Accounting and audit costs	€20.000,00	30.195,00
5. Support to affiliated organisations and subsidies to third parties	€10.000,00	0,00
6. Miscellaneous administrative costs	€2.000,00	0,00
A.4: Meetings and representation costs	604.000,00	558.366,14
1. Costs of meetings of the political party	€480.000,00	519.687,82
2. Participation in seminars and conferences	€40.000,00	0,00
3. Representation costs	€60.000,00	36.771,31
4. Cost of invitations	€20.000,00	0,00
5. Other meeting-related costs	€4.000,00	1.907,01
A.5: Information and publication costs	139.828,00	27.901,64
1. Publication costs	€50.000,00	7.966,81
2. Creation and operation of Internet sites	€9.828,00	32,27
3. Publicity costs	€50.000,00	19.902,56
4. Communications equipment (gadgets)	€20.000,00	0,00
5. Seminars and exhibitions	€5.000,00	0,00
6. Election campaigns ¹	€0,00	0,00
7. Other information-related costs	€5.000,00	0,00
A.6: Expenditure relating to contributions in kind		
A.7: Allocation to "Provision to cover eligible expenditure to be incurred in the first quarter of N+1" ¹		159.310,05
A. TOTAL ELIGIBLE EXPENDITURE	1.029.828,00	996.395,29
B.1: Non-eligible expenditure	0,00	27.138,31
1. Allocations to other provisions		
2. Financial charges		7.494,11
3. Exchange losses		-23,31
4. Doubtful claims on third parties		19.667,51
5. Others (to be specified)		
B. TOTAL NON-ELIGIBLE EXPENDITURE	0,00	27.138,31
C. TOTAL EXPENDITURE	1.029.828,00	1.023.533,60
H.1 Allocation of own resources to the specific reserve account ¹		64.060,40
H. Profit/loss for verifying compliance with the no-profit rule (G-H.1) ¹	0,00	0,00

¹: Not applicable to political foundations at European level

Eligible expenses for the carry-over period 1/1/2012-31/3/2012 (audited)

Bills by Category	Spent
Rubrique 1: Frais de personnel	
1. Salaires	R1 Salaires € 45.713,63
2. Charges	R1 Charges 16.817,70
3. Formation professionnelle	R1 Formation professionnelle € 0,00
4. Frais de mission du personnel	R1 Frais de mission du personnel € 0,00
5. Autres frais de personnel	R1 Autres frais de personnel € 850,60
Total Rubrique 1	€ 63.381,93
Rubrique 2: Frais d'infrastructure	
1. Loyer, charges et frais d'entretien	R2 Loyer, charges et frais d'entretien € 6.674,53
2. Frais d'installation, d'exploitation et d'entretien afférents aux équipements	R2 Frais d'installation, d'exploitation et d'entretien afférents aux équipements € 0,00
3. Frais d'amortissement des biens meubles	R2 Frais d'amortissement des biens meubles et immeubles € 0,00
4. Papeterie et fournitures de bureau	R2 Papeterie et fournitures de bureau € 111,96
5. Affranchissement et télécommunication	R2 Affranchissement et télécommunication € 2.679,81
6. Frais d'impression, de traduction, de reproduction	R2 Frais d'impression, de traduction, de reproduction € 0,00
7. Autres frais d'infrastructure	R2 Autres frais d'infrastructure € 100,79
Total Rubrique 2	€ 9.567,09
Rubrique 3: Dépenses de fonctionnement	
1. Frais de documentation (journaux, magazines)	R3 Frais de documentation € 50,00
2. Frais d'étude et de recherche	R3 Frais d'étude et de recherche € 0,00
3. Frais juridique	R3 Frais juridique € 1.452,00
4. Frais de comptabilité et d'audit	R3 Frais de comptabilité et d'audit € 0,00
5. Frais divers de fonctionnement	5. Aide aux organisations affiliées et subventions à des tiers € 0,00 R3 Frais divers de fonctionnement € 0,00
Total Rubrique 3	€ 1.502,00
Rubrique 4: Réunion et frais de représentation	
1. Frais de réunions du parti politique	R4 Frais de réunions du parti politique € 135.415,52
2. Participation à des séminaires et conférences	R4 Participation à des séminaires et conférences € 0,00
3. Frais de représentation	R4 Frais de représentation € 915,20
4. Frais pour les invitations	R4 Frais pour les invitations € 0,00
5. Autres frais de réunions	R4 Autres frais de réunions € 1.129,76
Total Rubrique 4	€ 137.460,48
Rubrique 5: Dépense d'information et de publication	
1. Frais de publication	R5 Frais de publication € 0,00
2. Création et exploitation de sites Internet	R5 Création et exploitation de sites Internet € 0,00
3. Frais de publicité	R5 Frais de publicité € 27.230,66
4. Matériel de communication (gadgets)	R5 Matériel de communication € 2.257,79
5. Séminaires	R5 Séminaires € 0,00
6. Expositions	R5 Electoral events € 0,00
7. Autres frais d'information	R5 Autres frais d'information € 151,06
Total Rubrique 5	€ 29.639,51
Rubrique 6: Dépenses relatives aux apports en nature	
Total Rubrique 6	R6 Dépenses relatives aux apports en nature
Dépenses non éligibles	
1. Dotations aux provisions	NE Dotations aux provisions € 0,00
2. Charges financières	NE Charges financières € 2.242,67
3. Pertes de change	NE Pertes de change € 0,00
4. Créances douteuses	NE Créances douteuses € 328,00
5. Autres (à préciser)	NE Autres € 0,00
Total Dépenses non éligibles	€ 2.570,67
Total (exclus les Dépenses non éligibles)	€ 241.551,01

