

AUDITOR'S REPORT TO THE BUREAU OF THE "PARLEMENTARY GROUP OF THE PARTY OF EUROPEAN SOCIALISTS", CONCERNING ART. 3701 OF THE E.P. BUDGET:

THE BALANCE SHEET AT DECEMBER 31st 2001 AND THE SUMMARY OF REVENUES AND EXPENDITURES OF THE FINANCIAL YEAR 2001.

Ladies and gentlemen,

As you have requested, we have audited your report on the use of the credits of the budget 3701.

The balance sheet at December 31st 2001 and the summary of revenues and expenditures statement for the financial year 2001 are enclosed with our report.

We have audited the state of the enclosed accounts of the "Parlementary Group of the Party of European Socialists" for the financial year from January 1st to December 31st 2001.

We have performed our audits in accordance with the general auditing standards drawn up by the "Belgian Institute of Auditors" (Instituut der Bedrijfsrevisoren - Institut des Reviseurs d' Entreprises) and in accordance with IAS-standards, so far these IAS-standards are applicable and not in contradiction with specific dispositions of the "Rules on the use of appropriations from budget item 3701". We have carried out all the verifications and auditing procedures which we deemed necessary in the circumstances.

During our audit, we have checked the conformity of the expenditures with the regulation of the Bureau of February 1st 2001 concerning rules laying down the procedures for utilizing the appropriations set aside for information activities in item 3701 of the budget of the European Parliament.

To this end, we have verified whether :

- a) the expenditure has been charged to the correct item in the budget of the group;
- b) the appropriations are available;
- c) the expenditure is in order and conforms with the relevant provisions, in particular the budget of the group and these rules;
- d) the principles of sound financial management have been applied;
- e) the payment order is supported by original documents (or certified true copies).

We have obtained all the information and explanations which, in our view, are essential to the proper performance of our assignment.

The undersigned, Swaelen & C<sup>o</sup> - Auditors, with office at 23, Eiermarkt in Antwerp, declares that, with regard to all the financial statements of 2001 audited, of which the balance-sheet totals of the group amount to 8.313.962,60 EURO, and of which the statement of revenue and expenditure closes with retained earnings of 7.592.863,35 EURO, (revenue : 17.948.087,33 EURO , expenditure : 10.355.223,98 EURO), and by virtue of Article 2.7.2. of the above mentioned regulations :

- a) in terms of the criteria we have examined we are not aware of any transactions concluded or procedures followed in violation of the regulations of the Bureau of February 1st 2001;
- b) the financial statements have been audited in accordance with the general auditing standards drawn up by the Belgian Institute of Auditors (Instituut der Bedrijfsrevisoren - Institut des Reviseurs d' Entreprises);
- c) the accounts of the financial year from January 1st 2001 to December 31st 2001 have been kept by the "Parliamentary Group of the Party of European Socialists" in accordance with the harmonized accounting plan provided for the political groups of the European Parliament of the credits under heading 3701 of the Parliament budget;
- d) the Group has complied the internal financial rules of the Group of December 6th 2000.
- e) the balance sheet at December 31st 2001 and the incomes and expenditures statement of 2001 give a true and fair view of the financial position and of the incomes and expenditures.

We completed our audit October 1st, 2002.

Annexes :

- balance sheet;
- the summary of revenues and expenditures;
- financial inventory financial year 2001;
- financial support granted to the PES during the 2001 financial year;
- staff members allocated to support the PES at 31/12/2001.

Swaelen & C<sup>o</sup> - Bedrijfsrevisoren, burg. bvba,  
Account Manager, Managing Director,

Robert Meyers,  
Auditor.

Marcel J.F. Swaelen,  
Auditor.

CHAPTER	TITLE	FORECAST	EXECUTION	%
ART				
	<b><u>A) REVENUE</u></b>			
1	Allocation and other revenue from the EP	9.813.546,00	9.819.110,50	100,06%
2	Own ressources	8.061.744,02	8.128.976,83	100,83%
	<b>TOTAL REVENUE</b>	<b>17.875.290,02</b>	<b>17.948.087,33</b>	<b>100,41%</b>
	<b>GRAND TOTAL</b>	<b>17.875.290,02</b>	<b>17.948.087,33</b>	<b>100,41%</b>
	<b><u>B) EXPENDITURE</u></b>			
1	Staff	2.964.300,00	2.370.910,03	79,98%
2	Material, current administrative and operational costs	304.000,00	221.542,59	72,88%
3	Documentation, studies and research	103.000,00	93.544,13	90,82%
4	Legal, accounting, financial an various operational costs	120.718,54	96.534,31	79,97%
5	Meeting and representation costs	1.280.000,00	387.166,19	30,25%
6	Publications and publicity	778.000,00	447.525,97	57,52%
7	Members	8.902.045,05	6.428.177,80	72,21%
8	Subventions and membership fees	331.005,00	309.822,96	93,60%
9	Operational reserve and general reserve for unforeseen expenditure	265.776,46	0,00	0,00%
	<b>TOTAL EXPENDITURE</b>	<b>15.048.845,05</b>	<b>10.355.223,98</b>	<b>68,81%</b>
	Carry forward to next financial year	2.826.444,97	7.592.863,35	268,64%
	<b>GRAND TOTAL</b>	<b>17.875.290,02</b>	<b>17.948.087,33</b>	<b>100,41%</b>

CHAPTER	TITLE	FORECAST	EXECUTION	%
ART				
1	<u>ALLOCATION AND OTHER REVENUE FROM THE E.P.</u>			
	11 Allocation from the E.P.	9.813.546,00	9.819.110,50	100,06%
	12 Other revenue from the EP	0,00	0,00	
	TOTAL	9.813.546,00	9.819.110,50	100,06%

CHAPTER	TITLE	FORECAST	EXECUTION	%
ART				
2	<u>OWN RESSOURCES</u>			
	21 Interests	330.000,00	416.545,29	126,23%
	22 Exchange gains	0,00	803,40	
	23 Various	30.000,00	33.997,06	113,32%
	24 Recovery of VAT	190.000,00	165.887,06	87,31%
	25 Carry forward from the previous financial year:	7.511.744,02	7.511.744,02	100,00%
	TOTAL	8.061.744,02	8.128.976,83	100,83%
	TOTAL REVENUE	17.875.290,02	17.948.087,33	100,41%

CHAPTER	TITLE	FORECAST	EXECUTION	%
ART				
1	<u>STAFF</u>			
	11 Missions of the secretariat	1.687.500,00	1.549.917,52	91,85%
	12 Recruitment	180.000,00	47.867,36	26,59%
	13 Stages	190.000,00	112.879,53	59,41%
	14 Salaries and related charges, fees	740.000,00	582.467,92	78,71%
	15 Professional training	160.000,00	70.978,23	44,36%
	16 Staff representation	6.800,00	6.799,47	99,99%
	TOTAL	2.964.300,00	2.370.910,03	79,98%

CHAPTER	TITLE	FORECAST	EXECUTION	%
ART				
2	<u>MATERIAL AND CURRENT SECRETARIAT COSTS</u>			
21	Equipment, exploitation, engineering and maintenance costs concerning informatics	40.000,00	4.883,36	12,21%
22	Equipment, exploitation, engineering and maintenance costs concerning other office equipment.	140.000,00	119.243,34	85,17%
23	Stationery and office supplies	16.000,00	5.811,85	36,32%
24	Postage and telecommunications	80.000,00	76.591,47	95,74%
25	Printing and duplicating	28.000,00	15.012,57	53,62%
	TOTAL	304.000,00	221.542,59	72,88%

CHAPTER	TITLE	FORECAST	EXECUTION	%
ART				
3	<u>DOCUMENTATION, STUDIES AND RESEARCH</u>			
	31 Newspaper, reviews, press agencies library	65.000,00	65.275,51	100,42%
	32 Studies and research	25.000,00	18.559,51	74,24%
	33 Data banks	13.000,00	9.709,11	74,69%
	TOTAL	103.000,00	93.544,13	90,82%



CHAPTER	TITLE	FORECAST	EXECUTION	%
ART				
4	<u>LEGAL , ACCOUNTING FINANCIAL AND VARIOUS OPERATIONAL COSTS</u>			
41	Legal costs	20.000,00	12.721,70	63,61%
42	Accounting costs	90.000,00	80.902,58	89,89%
43	Financial costs	10.000,00	2.191,49	21,91%
44	Various operational costs	718,54	718,54	100,00%
	TOTAL	120.718,54	96.534,31	79,97%

CHAPTER	TITLE	FORECAST	EXECUTION	%
ART				
5	<u>MEETING AND REPRESENTATION COSTS</u>			
	51 Group meetings	152.500,00	125.885,20	82,55%
	52 Other meetings and conferences	960.000,00	160.523,93	16,72%
	53 Representation costs	86.000,00	73.212,32	85,13%
	54 Invitation of personalities	81.500,00	27.544,74	33,80%
	TOTAL	1.280.000,00	387.166,19	30,25%

CHAPTER	TITLE	FORECAST	EXECUTION	%
ART				
6	<u>PUBLICATIONS AND PUBLICITY</u>			
61	Posters, leaflets and brochures	350.000,00	163.220,57	46,63%
62	Publicity inserts and audio-visual publicity	30.000,00	8.895,38	29,65%
63	Publicity material, gadgets	150.000,00	85.869,33	57,25%
64	Internet sites	198.000,00	144.051,92	72,75%
65	Visits to the institutions, information stands	50.000,00	45.488,77	90,98%
	TOTAL	778.000,00	447.525,97	57,52%

CHAPTER	TITLE	FORECAST	EXECUTION	%
ART				
7	<u>MEMBERS</u>			
	71 Members' mission costs	265.000,00	257.314,48	97,10%
	72 Political and information activities of the members; administration costs, political and information activities of the national delegations.	8.637.045,05	6.170.863,32	71,45%
	TOTAL	8.902.045,05	6.428.177,80	72,21%

CHAPTER	TITLE	FORECAST	EXECUTION	%
ART				
8	<u>SUBVENTIONS</u> <u>AND MEMBERSHIP FEES</u>			
	81 Subventions	50.000,00	28.818,87	57,64%
	82 Membership fees	281.005,00	281.004,09	100,00%
	TOTAL	331.005,00	309.822,96	93,60%

CHAPTER	TITLE	FORECAST	EXECUTION	%
ART				
9	<u>OPERATIONAL RESERVE AND GENERAL RESERVE FOR UNFORSEEN EXPED.</u>			
91	Operational reserve	0,00	0,00	
92	General reserve for unforeseen expenditure	265.776,46	0,00	0,00%
	<b>TOTAL</b>	<b>265.776,46</b>	<b>0,00</b>	<b>0,00%</b>
	<b>TOTAL EXPENDITURE</b>	<b>15.048.845,05</b>	<b>10.355.223,98</b>	<b>68,81%</b>
	Carry forward to next financial year	2.826.444,97	7.592.863,35	
	<b>GRAND TOTAL</b>	<b>17.875.290,02</b>	<b>17.948.087,33</b>	<b>100,41%</b>

**Parliamentary Group of the PES**

Financial Year 2001

Art.	Category	depreciation %	Acquisition value	depreciation	Net value
5	Informatics Software	25,0%			0
10	Informatics Hardware	25,0%	10984,04	1055,15	9928,89
30	Telecom/Audiovisual Equipment	25,0%	14399,95	1278,2	13121,75
45	Various technical/office Equipment	25,0%	948,96		948,96
50	Office furniture	10,0%			0
60	Automobiles	25,0%			0
	TOTAL		26332,95	2333,35	23999,6

**PARLIAMENTARY GROUP OF EUROPEAN SOCIALISTS**

**BALANCE SHEET**

**ASSETS**

**I) PROPERTY AND EQUIPMENT**

1. Office equipment 23.999,60

**TOTAL I** 23.999,60

**II) FINANCIAL SECURITIES**

1. Cash 11.954,97

2. central Group accounts 6.998.250,66

3. Decentralised group accounts 197.557,97

**TOTAL II** 7.207.763,60

**III FINANCIAL CLAIMS**

**1. Debtors (staff)**

a) specific adv. on missions 664,68

b) Fixed adv miss. 102.131,33

c) Adv training 9.792,62

d) Others 156,03

*Subtotal 1* 112.744,66

**2. Debtors (members)**

a) members 378,65

*Subtotal 2* 378,65

**3. Debtors (nat. delegations)**

a) Non justified payments 404.010,92

b) Other advances :

*Subtotal 3* 404.010,92

**4. Other Debtors**

a) garanties paid : 20.583,41

b) Other Polit. Groups 0,00

c) European Parliament 0,00

d) Banks 6,10

f) Suppliers 3.154,87

g) Ex staff members 1.665,29

h) PES 0,00

i) ex members 421,13

j) Miscellaneous 4.518,83

*Subtotal 4* 30.349,63

**TOTAL III** 547.483,86

**LIABILITIES**

**I) FINANCIAL DEBTS**

1. Central group accounts 0,00

(national delegations) 13.135,56

National delegations

**TOTAL I** 13.135,56

**II OTHER DEBTS**

**1. Debts (staff)**

*Subtotal 1* 0,00

**2. Debts (members)**

*Subtotal 2* 0,00

**3. Debts (delegations)**

a) Debts (delegations) 736,90

*Subtotal 3* 736,90

**4. Other Debts**

1) Suppliers: 161,86

*Subtotal 4* 161,86

**TOTAL II** 898,76



**IV PREPAYMENTS AND ACCRUED INCOME**

1.Charges yet paid	13.100,87
2.Advances to suppliers for future activities	519.187,97
3.Accrued income	2.426,70
<b>TOTAL IV</b>	<b><u>534.715,54</u></b>

**TOTAL DEBIT** **8.313.962,60**

**Deficit of the financial year** **0,00**

**GRAND TOTAL** **8.313.962,60**

**IV ACCRUALS AND DEFERRED INCOME**

1.Charges paid, not yet debited at 31/12	707.064,93
<b>TOTAL IV</b>	<b><u>707.064,93</u></b>

**TOTAL CREDIT** **721.099,25**

**Remainder of the financial year** **7.592.863,35**

**GRAND TOTAL** **8.313.962,60**

**Analysis of the balance sheet at:** 31/12/2001

Remainder at: the end of the 2000 fin. year: 7.511.744,02

Result of the financial year: 2001 81.119,33

**Remainder at: the end of the 2001 fin. year:** **7.592.863,35**

**Detail of the carry forward to: 2002**

Central group budget: 5.092.595,90

National delegations: 2.500.267,45

Total: **7.592.863,35**

**Detail of the result of the financial year:** 2001

Central group budget: -1.453.607,76

National delegations: 1.534.727,09

Total: **81.119,33**