



GROUPE PARLEMENTAIRE DU PARTI DES SOCIALISTES EUROPEENS • PARLIAMENTARY GROUP OF THE PARTY OF EUROPEAN SOCIALISTS  
FRAKTION DER SOZIALDEMOKRATISCHEN PARTEI EUROPAS • GRUPO PARLAMENTARIO DEL PARTIDO DE LOS SOCIALISTAS EUROPEOS  
GRUPPO PARLAMENTARE DEL PARTITO DEL SOCIALISMO EUROPEO • FRACŤIE VAN DE PARTIJ VAN DE EUROPESE SOCIAALDEMOCRATEN  
EUROOPAN SOSIALIDEMOKRAATTISEN PUOLUEEN PARLAMENTTIRYHMÄ • DE EUROPEISKA SOCIALDEMOKRATERNAS PARLAMENTSGRUPP  
GRUPO PARLAMENTAR DO PARTIDO SOCIALISTA EUROPEU • DE EUROPÆISKE SOCIALDEMOKRATERS GRUPPE  
ΚΟΙΝΟΒΟΥΛΕΥΤΙΚΗ ΟΜΑΔΑ ΤΟΥ ΕΥΡΩΠΑΪΚΟΥ ΣΟΣΙΑΛΙΣΤΙΚΟΥ ΚΟΜΜΑΤΟΣ

Sr.D. Josep BORRELL  
Presidente del Parlamento Europeo  
Rue Wiertz  
1047 Brussels

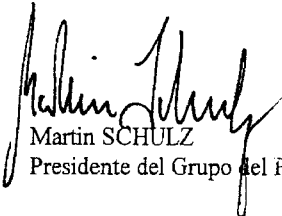
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Bruselas, 27 de octubre de 2004  
MS/JS/FN/am

Estimado Presidente,

De conformidad con el artículo 2.7.1. del reglamento relativo a la utilización de los créditos previstos en la partida presupuestaria 3701, tengo el placer de enviarte el informe elaborado por los revisores de cuentas sobre la utilización de los créditos en el primer semestre de 2004.

Recibe un cordial saludo,

  
Martin SCHULZ  
Presidente del Grupo del PSE

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Report concerning :

Parliamentary group of the European Socialists

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Auditor's report to the bureau of the Group concerning art. 3701  
of the E.P. budget : the balance sheet at June 30<sup>th</sup>, 2004 and the  
summary of revenues and expenditures of the financial year 2004-1.

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

THE BALANCE SHEET AT JUNE 30<sup>th</sup> 2004 AND THE SUMMARY OF REVENUES AND EXPENDITURES OF THE FINANCIAL YEAR 2004-1.

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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 June 30<sup>th</sup> 2004 and the summary of revenues and expenditures statement for the financial year 2004-1 are enclosed with our report.

We have audited the enclosed accounts of the "Parliamentary Group of the Party of European Socialists" for the financial year from January 1<sup>st</sup> to June 30<sup>th</sup> 2004.

We have performed our audits in accordance with generally accepted auditing standards issued by the "Belgian Institute of Auditors" (Instituut der Bedrijfsrevisoren - Institut des Réviseurs d'Entreprises) and in accordance with IFRS-standards, so far these IFRS-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 both in Brussels and on-the-spot, the conformity of the expenditures with the regulation of the Bureau of February 1<sup>st</sup> 2001, revised by the Bureau of July 1<sup>st</sup> 2003, concerning rules detailing the procedures for utilizing the appropriations set aside for information activities in item 3701 of the budget of the European Parliament.

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 line and conforms with the relevant provisions, in particular the budget of the group and the rules on the use of appropriations from budget item 3701;
- 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 properly perform our assignment.

The undersigned, Swaelen & C<sup>o</sup> - Auditors, with office at 52, Joe Englishstraat in Antwerp, declares that, with regard to the financial statements of 2004-1 audited, of which the balance-sheet total of the group amounts to 4.196.061,21 EURO, and of which the statement of revenues and expenditures closes with a cumulated profit of 3.402.184,92 EURO, (revenue: 9.296.709,43 EURO, expenditure: 5.894.524,51 EURO), and by virtue of Article 2.7.2. of the above mentioned regulations :

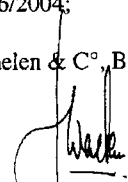
- a) in terms of the criteria we have examined we are not aware of any transactions concluded or procedures followed in violation of the regulations of the Bureau of February 1<sup>st</sup> 2001, revised by the Bureau of July 1<sup>st</sup> 2003;
- b) the financial statements have been audited in accordance with the generally accepted auditing standards issued by the Belgian Institute of Auditors (Instituut der Bedrijfsrevisoren - Institut des Réviseurs d'Entreprises);
- c) the accounts of the financial year from January 1<sup>st</sup> 2003 to June 30<sup>th</sup> 2004 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 6<sup>th</sup> 2000, revised on December 10<sup>th</sup> 2003.
- e) the balance sheet at June 30<sup>th</sup> 2004 and the revenues and expenditures statement of 2004-1 give a true and fair view of the financial position and of the income and expenditures.

We completed our audit on October 20<sup>th</sup> 2004.

Annexes :

- Balance sheet;
- The summary of revenues and expenditures;
- Execution of article 72 national delegations' credits;
- Central Group expenditure in the 2004-1 financial year;
- Financial support granted to the PES during the 2004-1 financial year from 3701 appropriations received from the EP;
- Staff members allocated to support the PES at 30/06/2004;

Swaelen & C<sup>o</sup>, Burg. bvba,

  
Marcel J.F. Swaelen,  
Auditor

 **SWAELEN & Co**

ANNEXES

FINANCIAL YEAR 2004/1

STATEMENT OF REVENUE AND EXPENDITURE

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CHAPTER		COMMENTS
	ART	

CHAPTER	TITLE	FORECAST	EXECUTION 2004/1	%
ART				
	<b>A) REVENUE</b>			
1	Allocation and other revenue from the EP	5.921.929,00	5.845.159,50	98,70%
2	Own resources	2.437.980,85	3.451.549,93	141,57%
	<b>TOTAL REVENUE</b>	<b>8.359.909,85</b>	<b>9.296.709,43</b>	111,21%
	<b>GRAND TOTAL</b>	<b>8.359.909,85</b>	<b>9.296.709,43</b>	111,21%
	<b>B) EXPENDITURE</b>			
1	Staff	1.840.500,00	1.172.919,85	63,73%
2	Material, current administrative and operational costs	211.000,00	161.985,07	76,77%
3	Documentation, studies and research	87.300,00	77.531,52	88,81%
4	Legal, accounting, financial an various operational costs	95.000,00	71.054,98	74,79%
5	Meeting and representation costs	474.661,00	247.011,98	52,04%
6	Publications and publicity	592.500,00	395.136,62	66,69%
7	Members	4.327.979,85	3.654.646,49	84,44%
8	Subventions and membership fees	161.834,00	114.238,00	70,59%
9	Operational reserve and general reserve for unforeseen expenditure	69.135,00	0,00	0,00%
	<b>TOTAL EXPENDITURE</b>	<b>7.859.909,85</b>	<b>5.894.524,51</b>	74,99%
	Carry forward to next financial year	<b>500.000,00</b>	<b>3.402.184,92</b>	680,44%
	<b>GRAND TOTAL</b>	<b>8.359.909,85</b>	<b>9.296.709,43</b>	111,21%



CHAPTER		COMMENTS
	ART	
1		
	11	
	12	

CHAPTER	TITLE	FORECAST	EXECUTION	%
ART				
1	<u>ALLOCATION AND OTHER REVENUE FROM THE E.P.</u>			
11	Allocation from the E.P.	5.921.929,00	5.845.159,50	98,70%
12	Other revenue from the EP	0,00	0,00	
	TOTAL	5.921.929,00	5.845.159,50	98,70%

CHAPTER		COMMENTS
	ART	
2	21	<i>The revenue from bank interests is lower than expected due to the drop in interest rates on the international markets.</i>
	22	
	23	
	24	
	25	The amount of the execution includes the carry forward of the national delegations. The carry forward forecasted in the budget only covers the central group budget's carry forward.

CHAPTER	TITLE	FORECAST	EXECUTION	%
ART				
2	<u>OWN RESSOURCES</u>			
21	Interests	90.000,00	52.452,29	58,28%
22	Exchange gains	0,00	3.646,11	
23	Various	0,00	49.530,97	
24	Recovery of VAT	95.000,00	191.321,33	201,39%
25	Carry forward from the previous financial year:	2.252.980,85	3.154.599,23	140,02%
	TOTAL	<b>2.437.980,85</b>	<b>3.451.549,93</b>	141,57%
	TOTAL REVENUE	<b>8.359.909,85</b>	<b>9.296.709,43</b>	111,21%

CHAPTER		COMMENTS
	ART	
1		
	11	
	12	
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	16	

CHAPTER	TITLE	FORECAST	EXECUTION	%
ART				
1	<u>STAFF</u>			
	11 Missions of the secretariat	800.000,00	704.345,75	88,04%
	12 Recruitment	465.000,00	92.317,77	19,85%
	13 Stages	142.000,00	95.038,25	66,93%
	14 Salaries and related charges, fees	350.000,00	232.402,98	66,40%
	15 Professional training	80.000,00	48.815,10	61,02%
	16 Staff representation	3.500,00	0,00	0,00%
	TOTAL	1.840.500,00	1.172.919,85	63,73%

CHAPTER		COMMENTS
	ART	
2		
	22	
	23	
	24	
	25	

CHAPTER	TITLE	FORECAST	EXECUTION	%
ART				
2	<u>MATERIAL AND CURRENT SECRETARIAT COSTS</u>			
	21 Equipment, exploitation, engineering and maintenance costs concerning informatics	45.000,00	18.162,17	40,36%
	22 Equipment, exploitation, engineering and maintenance costs concerning other office equipment.	75.000,00	67.609,23	90,15%
	23 Stationery and office supplies	16.000,00	8.506,80	53,17%
	24 Postage and telecommunications	55.000,00	51.769,63	94,13%
	25 Printing and duplicating	20.000,00	15.937,24	79,69%
	TOTAL	211.000,00	161.985,07	76,77%



CHAPTER		COMMENTS
	ART	
3		
	31	
	32	
	33	

CHAPTER	TITLE	FORECAST	EXECUTION	%
ART				
3	<u>DOCUMENTATION, STUDIES AND RESEARCH</u>			
	31 Newspaper, reviews, press agencies library	69.200,00	67.857,42	98,06%
	32 Studies and research	15.000,00	7.565,00	50,43%
	33 Data banks	3.100,00	2.109,10	68,04%
	TOTAL	87.300,00	77.531,52	88,81%

CHAPTER		COMMENTS
	ART	
4		
	41	
	42	
	43	
	44	

CHAPTER	TITLE	FORECAST	EXECUTION	%
ART				
4	<u>LEGAL , ACCOUNTING FINANCIAL AND VARIOUS OPERATIONAL COSTS</u>			
	41 Legal costs	5.000,00	4.378,74	87,57%
	42 Accounting costs	85.000,00	63.182,00	74,33%
	43 Financial costs	5.000,00	3.494,24	69,88%
	44 Various operational costs	0,00	0,00	
	TOTAL	95.000,00	71.054,98	74,79%

CHAPTER		COMMENTS
	ART	
5		
	51	
	52	
	53	
	54	

CHAPTER	TITLE	FORECAST	EXECUTION	%
ART				
5	<u>MEETING AND REPRESENTATION COSTS</u>			
	51 Group meetings	25.000,00	0,00	0,00%
	52 Other meetings and conferences	250.000,00	105.582,93	42,23%
	53 Representation costs	174.661,00	127.563,13	73,03%
	54 Invitation of personalities	25.000,00	13.865,92	55,46%
	TOTAL	474.661,00	247.011,98	52,04%

CHAPTER		COMMENTS
	ART	
6		
	61	
	62	
	63	
	64	
	65	

CHAPTER	TITLE	FORECAST	EXECUTION	%
ART				
6	<u>PUBLICATIONS AND PUBLICITY</u>			
61	Posters, leaflets and brochures	271.500,00	195.224,81	71,91%
62	Publicity inserts and audio-visual publicity	35.000,00	415,45	1,19%
63	Publicity material, gadgets	97.000,00	45.590,00	47,00%
64	Internet sites	139.000,00	117.987,58	84,88%
65	Visits to the institutions, information stands	50.000,00	35.918,78	71,84%
	TOTAL	592.500,00	395.136,62	66,69%



CHAPTER		COMMENTS
	ART	
7	71	
	72	

CHAPTER	TITLE	FORECAST	EXECUTION	%
ART				
7	<u>MEMBERS</u>			
71	Members' mission costs	155.000,00	105.178,38	67,86%
72	Political and information activities of the members; administration costs, political and information activities of the national delegations.	4.172.979,85	3.549.468,11	85,06%
	TOTAL	4.327.979,85	3.654.646,49	84,44%

CHAPTER		COMMENTS
	ART	
8		
	81	
	82	

CHAPTER	TITLE	FORECAST	EXECUTION	%
ART				
8	<u>SUBVENTIONS AND MEMBERSHIP FEES</u>			
	81 Subventions	24.334,00	8.738,00	35,91%
	82 Membership fees	137.500,00	105.500,00	76,73%
	TOTAL	161.834,00	114.238,00	70,59%

CHAPTER		COMMENTS
	ART	
9		
	91	
	92	
		<p>The amount of the execution includes the carry forward of the national delegations. The carry forward forecasted in the budget only covers the central group budget's carry forward. The detail of this carry forward can be found in the balance sheet section</p>

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	69.135,00	0,00	0,00%
	TOTAL	69.135,00	0,00	0,00%
	TOTAL EXPENDITURE	<b>7.859.909,85</b>	<b>5.894.524,51</b>	74,99%
	Carry forward to next financial year	<b>500.000,00</b>	<b>3.402.184,92</b>	
	GRAND TOTAL	<b>8.359.909,85</b>	<b>9.296.709,43</b>	111,21%

**Execution of art. 72 national delegations' credits**

<b>Chapter/ article</b>	<b>Heading</b>	<b>Execution</b>	<b>%</b>
1	Staff	1.699.615,97	47,88%
2	Equipment/ routine administrative expenditure and operating expenditure	94.851,97	2,67%
3	Documentation, studies and research	38.130,14	1,07%
4	Legal and accounting costs, financial charges and other operating expenditure	34.497,39	0,97%
52	Meetings and conferences	351.221,46	9,90%
54	Guests	27.220,75	0,77%
61	Posters, leaflets and booklets	687.379,80	19,37%
62	Advertising inserts and audiovisual	135.029,10	3,80%
63	Advertising material, gadgets, etc.	223.662,73	6,30%
64	Internet sites	101.942,42	2,87%
65	Visit to institutions, information stands	155.916,38	4,39%
	Total art. 72	3.549.468,11	100,00%

Central Group expenditure in the 2004-1 financial year.

Budget chap.	Heading	expenditure	%
1	staff	1.172.919,85	50,02%
2	Material, current administrative and operational costs	161.985,07	6,91%
3	Documentation, studies and research	77.531,52	3,31%
4	Legal, accounting, financial an various operational costs	71.054,98	3,03%
5	Meeting and representation costs	247.011,98	10,53%
6	Publications and publicity	395.136,62	16,85%
71	Members' missions	105.178,38	4,49%
8	Subventions and membership fees	114.238,00	4,87%
	TOTAL	2.345.056,40	100,00%



**Financial support granted to the PES during the 2004/1 financial year**

**Financial support granted to the PES during the 2004/1 financial year  
from 3701 appropriations received from the EP**

Budget article	Amount
6-11 Staff missions	26.508,02
6-13 Stagiaires	0,00
6-15 Staff training	0,00
6-22 Purchase of material	0,00
6-24 Postage and telecommunications	3.247,14
6-25 Printing and duplicating	49,70
6-31 Newspapers, reviews	1.246,25
6-33 Data banks	519,72
6-81 Subventions	0,00
6-82 Membership fee	105.500,00
<b>TOTAL</b>	<b>137.070,83</b>

The total amount of support granted to the PES represent **2,35%** of the allocation the Group has received from the EP for the budget year 2003.

**Staff members allocated to support the PES at during 2004 1**

Antony Beumer  
Armin Machmer  
Javier Moreno Sanchez  
Tony Robinson  
Nick Crook  
Ludivine Weech  
Frida Lopez  
Marina Pöhlmann  
Dominique Lemort  
Michele Caroll  
Christiane Jacobs Saadouni  
Julie Somerville  
Juanita Terron

This is a total of 13 staff members or 7,10 % of the organigramme of the Group.  
( Total number of posts on the PES Group organigramme: 183