

Gabi Zimmer
Présidente du Groupe

Bruxelles, le 27 octobre 2014

Monsieur Martin SCHULZ
Président du Parlement européen
Bur. PHS 09 B 012
Bruxelles

Objet : Rapport poste 400 - période budgétaire 2014-1

Monsieur le Président,

Conformément à l'article 2.7.1 de la Réglementation régissant l'utilisation des crédits prévus au poste 400 du budget du Parlement européen, je vous prie de trouver ci-joint le rapport des auditeurs externes concernant les comptes du Groupe Confédéral de la Gauche Unitaire Européenne/Gauche Verte Nordique pour la période budgétaire 2014-1.

Je vous prie de croire, Monsieur le Président, à l'assurance de ma plus haute considération.



Gabriele ZIMMER



GUE/NGL

Gauche Unitaire Européenne/Gauche Verte Nordique
European United Left/Nordic Green Left
Groupe Parlementaire · Parliamentary Group
PARLEMENT EUROPEEN · EUROPEAN PARLIAMENT

**ANNUAL REPORT BY THE GUE/NGL GROUP
TO THE EUROPEAN PARLIAMENT**

BUDGET ITEM 400

BUDGET PERIOD 2014/1

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**REPORT OF THE EXTERNAL AUDITORS ON THE ANNUAL ACCOUNTS RELATIVE TO THE USE OF
THE CREDITS OF ITEM 400 OF THE BUDGET OF THE EUROPEAN PARLIAMENT FOR THE PERIOD
FROM 1 JANUARY 2014 TO 30 JUNE 2014**

**GUE/NGL
GAUCHE UNITAIRE EUROPÉENNE/GAUCHE VERTE NORDIQUE
EUROPEAN UNITED LEFT/NORDIC GREEN LEFT**

AUDITOR'S REPORT

In accordance with the audit mandate, we have audited the Group's Financial Statement prepared by the Group Accountant for the budget period 2014/I ending 30/06/2014 as presented on pages 1 to 15 of this document.

Respective responsibilities of the Group and the auditor

Pursuant to the rules on the use of appropriation from budget item 400 (hereafter "the Rules"), the Group is responsible to the European Parliament for the conformity of appropriation usage and of the preparation of the group's budget period 2014/I financial report.

We are responsible for planning and carrying out the required work to verify the financial report prepared by the Group and to report with reasonable assurance our audit opinions to the Group.

Basis of Opinions

We have conducted the audit in accordance with International Standards on Auditing as issued by the IAASB. This standard requires the auditor or auditing company to plan and carry out the work in such a way as to obtain sufficient and appropriate evidence and explanations to support audit opinions. An audit includes an examination, on a sample basis, of evidence relevant to the opinions.

The audit work included specific procedures aimed at gathering sufficient and appropriate audit evidence that:

- a) the statement of revenue and expenditure gives a true and fair view of the group's financial position for the budget period concerned;
- b) the balance sheet gives a true and fair view of the Group's assets at the end of the budget period,
- c) the overall considerations on financial statements in the rules adopted by the Accounting Officer of the Commission referred to in articles 143 and 144 of the Financial Regulation¹, have been observed in the preparation and presentation of the accounts or, where appropriate, a divergence from these overall considerations is adequately explained by a note to the financial statements.

¹

Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union (Official Journal L 298, 26.10.2012, p.1).

- d) an effective and efficient internal control system for the management of operations, which includes effective segregation of the duties of authorising officer and accounting officer or of the equivalent functions, is in place;
- e) the accounts have been presented in accordance with the harmonised Accounting Plan in Part 2 of the Rules;
- f) the expenditure complies with the provisions of the Rules;
- g) the expenditure has been charged to the correct item in the budget of the Group;
- h) the appropriations were available;
- i) the principles of sound financial management have been applied;
- j) payment orders are substantiated by original supporting documents (or certified true copies);
- k) the Group's internal rules have been observed.

The audit work included verification of the risk management activities of the Group and on the quality of management and control systems. If necessary, recommendations for improving the conditions of implementation of operations and promoting sound financial management were issued.

The audit work also included assessment of the suitability and effectiveness of internal management systems and the performance of departments in implementing policies, programmes and actions by reference to the risks associated with them; and assessment of the efficiency and effectiveness of the internal control and audit systems applicable to every budget implementation operation.

Opinions

- As a result of our work, we did not identify any material non-conformity with the dispositions laid out in the Rules or with the Group's internal rules including the internal control system.
- The overall presentation of the income and expense statement and of the balance sheet complies with the chart of account provided with the Rules.
- No departures from generally accepted accounting principles have been established.
- The principle of sound financial management has been applied.
- In our opinion, the balance sheet gives a true and fair view of the financial position of the Group at 30/06/2014 and of the revenue and expenses for the 6 months ending 30/06/2014

Zaventem, October 14th, 2014

RSM INTERAUDIT CVBA-SCRL
REGISTERED AUDITORS
REPRESENTED BY



BERNARD DE GRAND RY
PARTNER



KARINE MORRIS
PARTNER

BALANCE SHEET Group GUE / NGL
End of budget period 2014/1 (30/06/2014)

	<i>Notes</i>	<u>Year 2014/1</u>	-	<u>Year 2013</u>
ASSETS				
FIXED ASSETS				
<i>Chapter 1 Intangible and tangible assets</i>	3			
.1 Intangible assets		0,00		0,00
.2 Tangible assets		9.124,77		10.804,91
Subtotal for Chapter 1		<u>9.124,77</u>		<u>10.804,91</u>
CURRENT ASSETS				
<i>Chapter 2 Debtors, stocks and other working assets</i>	5			
.1 Suppliers		8.176,00		450,00
.2 Staff		0,00		0,00
.3 VAT		107.272,98		117.804,12
.4 Stocks		0,00		0,00
.5 Various		0,00		0,00
Subtotal for Chapter 2		<u>115.448,98</u>		<u>118.254,12</u>
<i>Chapter 3 Financial assets</i>				
.1 Financial securities	4	0,00		0,00
.2 Cash and cash equivalent		178.836,36		819.789,47
Subtotal for Chapter 3		<u>178.836,36</u>		<u>819.789,47</u>
<i>Chapter 4 Deferred charges and accrued income</i>				
.1 Deferred charges		0,00		0,00
.2 Accrued income		26.297,76		596,16
Subtotal for Chapter 4		<u>26.297,76</u>		<u>596,16</u>
TOTAL ASSETS		<u>329.707,87</u>		<u>949.444,66</u>

BALANCE SHEET Group GUE / NGL
End of budget period 2014/1 (30/06/2014)

	<i>Notes</i>	<u>Year 2014/1</u>	-	<u>Year 2013</u>
<u>LIABILITIES</u>				
<i>Chapter 1 Reserves</i>				
.1	Carry forward to next budgeting period	271.999,12		416.284,01
Subtotal for Chapter 1		<u>271.999,12</u>		<u>416.284,01</u>
<i>Chapter 2 Financial debts</i>				
Financial debts of a residual duration 1				
.1	year	0,00		0,00
Financial debts of a residual duration /= 1				
.2	year	0,00		0,00
Subtotal for Chapter 2		<u>0,00</u>		<u>0,00</u>
<i>Chapter 3 Other debts</i>				
.1	Other debts	0,00		0,00
.2	Charges settled in N but paid in N+1	57.708,75		529.270,98
Subtotal for Chapter 3		<u>57.708,75</u>		<u>529.270,98</u>
<i>Chapter 4 Deferred income / accrued charges</i>				
.1	Deferred income	0,00		3.889,67
.2	Accrued charges	0,00		0,00
Subtotal for Chapter 4		<u>0,00</u>		<u>3.889,67</u>
TOTAL LIABILITIES		<u>329.707,87</u>		<u>949.444,66</u>

**PROFIT AND LOSS ACCOUNT of the GUE/NGL Group
for budget period 2014/1 (period from 01/01/2014 to 30/06/2014)**

	<i>Notes</i>	<u>Year 2014/1</u>	-	<u>Year 2013</u>
Receipts				
<i>Chapter 1 Grants and other receipts from the European Parliament</i>				
.1		1.373.954,70		2.657.578,33
.2		0,00		0,00
Subtotal for Chapter 1		<u>1.373.954,70</u>		<u>2.657.578,33</u>
<i>Chapter 2 Own resources</i>				
.1		573,58		21.055,40
.2	2	0,00		28,06
.3		0,00		0,00
.4		0,00		0,00
.5				
		416.284,01		1.055.085,97
Subtotal for Chapter 2		<u>416.857,59</u>		<u>1.076.169,43</u>
Total receipts		<u>1.790.812,29</u>		<u>3.733.747,76</u>
Grand total		<u>1.790.812,29</u>		<u>3.733.747,76</u>

**PROFIT AND LOSS ACCOUNT of the GUE/NGL Group
for budget period 2014/1 (period from 01/01/2014 to 30/06/2014)**

<u>Expenditure</u>	<i>Notes</i>	<u>Year 2014/1</u>	-	<u>Year 2013</u>
<i>Chapter 1 Staff</i>				
.1 Secretariat missions		215.952,23		514.133,32
.2 Recruitment		0,00		121,79
.3 Traineeships		3.584,56		24.899,97
.4 Salaries and related costs, fees		94.297,43		72.159,44
.5 Staff training		4.625,53		4.376,00
.6 Staff representation costs		0,00		0,00
Subtotal for Chapter 1		<u>318.459,75</u>		<u>615.690,52</u>
<i>Chapter 2 Equipment, routine administrative costs and operating costs</i>				
.1 Equipment, operating expenditure, computer-related engineering and maintenance				
	3	1.088,73		6.030,44
.2 Equipment, telecommunications-related installation and maintenance expenditure, office machinery, furniture and technical installations				
	3	1.375,72		7.399,48
.3 Stationery and office supplies		1.182,84		3.028,81
.4 Postage and telecommunications		7.376,14		11.210,78
.5 Printing and photocopying costs		14.540,10		23.548,64
.6 Office rental costs		0,00		0,00
Subtotal for Chapter 2		<u>25.563,53</u>		<u>51.218,15</u>
<i>Chapter 3 Documentation, studies and research</i>				
.1 Newspapers, magazines, press agencies and books		13.489,58		13.463,86
.2 Studies and research		0,00		0,00
.3 Databases		0,00		0,00
Subtotal for Chapter 3		<u>13.489,58</u>		<u>13.463,86</u>

**PROFIT AND LOSS ACCOUNT of the GUE/NGL Group
for budget period 2014/1 (period from 01/01/2014 to 30/06/2014)**

	<i>Notes</i>	<u>Year 2014/1</u>	-	<u>Year 2013</u>
<i>Chapter 4 Legal and accountancy fees, financial and other charges</i>				
.1	Legal costs	0,00		0,00
.2	Accounting costs/audits	1.181,52		5.547,36
.3	Financial charges and losses from currency exchange	1.078,58	2	856,23
.4	Translation and interpretation costs	0,00		740,24
.5	Other operating expenditure	982,12		1.971,90
Subtotal for Chapter 4		<u>3.242,22</u>		<u>9.115,73</u>
<i>Chapter 5 Cost of meetings and representation</i>				
.1	Official Group meetings	8.331,21		72.256,65
.2	Other meetings and conferences	119.229,69		294.692,02
.3	Expenditure on entertainment	16.255,64		61.714,15
.4	Guests	18.864,91		15.708,94
.5	Individual fact finding missions of members	29.728,81		134.411,85
Subtotal for Chapter 5		<u>192.410,26</u>		<u>578.783,61</u>
<i>Chapter 6 Publications and publicity</i>				
.1	Posters, leaflets and booklets	34.872,25		5.034,93
.2	Advertising inserts and audiovisual advertising	4.649,03		550,00
.3	Advertising material, gadgets, publicity by telecommunication equipments	0,00		37.591,64
.4	Internet sites + e-publicity	5.400,79		10.221,85
.5	Visits to institutions, information stands	4.275,90		3.510,80
Subtotal for Chapter 6		<u>49.197,97</u>		<u>56.909,22</u>

Chapter 7 Members of Parliament

- .1 Members' political and information activities,
administrative expenses and political and
information activities of national delegations
(details attached)

916.449,86 1.992.282,66

Subtotal for Chapter 7

916.449,86 1.992.282,66

Chapter 8 Grants, subscriptions and contributions

- .1 Subsidies

0,00 0,00

- .2 Subscriptions

0,00 0,00

Subtotal for Chapter 8

0,00 0,00

Total expenditure

1.518.813,17 3.317.463,75

Credits repayable to European Parliament

0 0

Amount carried forward to next financial year

271.999,12 416.284,01

Grand total

1.790.812,29 3.733.747,76

NOTES TO THE ACCOUNTS IN BUDGETING PERIOD 2014/1 (ENDING 30/06/2014)

The accounts, hereafter, have been prepared in conformity with:

- The 400 financial rules approved by the Bureau of the European Parliament on 30 June 2003, revised by the Bureau on 22 March 2006 (PE 335.475/BUR), on 11 July 2007, on 20 September 2010, on 23 March 2011, on 26 September 2011, on 02 July 2012, on 11 March 2013, on 24 February 2014 and 14 April 2014.
- The internal financial rules of the Group.
- The accounting principles and the harmonized accounting plan adopted by the Secretaries-General of the political groups on 15/09/2005.

Accounting principles

1. Movements on the accounts and the balances shall be entered in the accounting ledgers.
2. All accounting entries, including adjustments to the accounts, shall be based on dated and numbered supporting documents, to which they shall refer.
3. The accounting system must be such as to leave a trail for all accounting entries.

The financial statements shall be drawn up in accordance with the generally accepted accounting principles, namely:

- Going-concern basis;
- Prudence;
- Consistent accounting methods;
- Comparability of information;
- Materiality;
- No netting;
- Reality over appearance;

Pursuant to Rule 2.5.3 of the Rules on the use of appropriations from budget item 400 the accounts are held on a modified accrual system.

All expenditure relative to activities of the current or previous financial years is registered in the accounts of the current budget period, upon authorization by the authorizing officer responsible and payment by the accountant, if the actual payment is made no later than during the month following the end of the budget period.

All expenditure of a budget period paid during the month following the end of the budget period is booked on the expenditure accounts of the current budget period with counterpart a balance account (chapter III.2).

All expenditure for which actual payment is made later than the end of the month following the closure of the budget period or for risks and future charges is registered in the accounts of the next financial year.

No provisions will be made for expenditure of the current budget period not paid by the end of the month following the end of this budget period or for risks and future charges.

All revenue is registered in the income accounts upon establishment by the authorising officer. All revenue established and not received in the course of the budget period is registered on a balance sheet account in chapter IV (deferred charges and accrued income).

CLASSIFICATION

The classification of the expenditure on the charge accounts follows the principle of classification by destination by the accounting plan annexed to the Rules on the use of appropriations from Article 400.

Note 1: Carry forward to next budgeting period:

1: Credits received by our group for 2014-1 budget period	€	1.373.954,70
2: Maximum amount of carry forward to 2014-2 budget period		no limitation
3: Difference between total revenue and total expenditure at the end of the 2014-1 budget period	€	271.999,12
4: Credits to be returned to the EP	€	0.00
5: Carry forward to 2014-2 budgeting period	€	271.999,12

Note 2: Exchange policy:

The revenue and expenditure in other currencies are converted in euro following the exchange rate of the day of the payment. The balance sheet accounts in other currencies are translated into euro at the exchange rate of the end of the budgeting period.

Note 3: Depreciations of fixed assets:

Assets with a unit value of 420 Euros or more and being intended to serve the activities of the group on a lasting basis are entered in the inventory and the Group's balance sheet. Fixed assets are to be valued at their acquisition price and depreciated on a monthly basis following the straight line method by the following annual percentages:

software	25,0	%
hardware:	25,0	%
telecommunications and audiovisual equipment:	25,0	%
technical equipment:	12,5	%
other installations and machines:	12,5	%
office furniture:	10,0	%

A recapitulative table of the assets in the balance sheet is annexed

Note 4: Valuation method for financial securities:

Non applicable

Note 5: Valuation of receivables, debts and other assets:

Receivables, debts and other assets are stated at their nominal value. Value reductions on receivables and other assets are accounted for if there is any uncertainty regarding their collectability.

Our group has concluded the substantial long standing (>1 year) financial commitments, for the renting of 5 photocopiers:

- OCE Belgium, renting of 5 photocopiers for € 21.360,00 a year

Note 6: Comparison of figures:

According to article 2.1.1. one of the financial rules governing budget item 400 this report covers the period 2014-1 which lasts from 01/01/2014 to 30/06/2014.

For practical reasons no comparative figures for the identical period of 2013 can be presented. Therefore 12 months worth of figures have been mentioned for 2013.

DETAIL OF THE EXECUTION OF THE DECENTRALISED CREDITS**CHAPTER 7, ARTICLE 1.**

Ventilation following the accounting plan annexed to the 400 financial rules.

Chapter / article	Heading	Execution budget period 2014/1	%	Execution Year 2013	%
10	Staff	94.837,17	10,35	188.851,29	9,48
20	Secretariat - equipment and expenses	427,13	0,05	929,57	0,05
30	Documentation, studies and research	15.569,25	1,70	23.375,50	1,17
40	Legal, accounting, financial and other operating costs	8.961,60	0,98	3.390,95	0,17
52	Other meetings and conferences	168.204,05	18,35	368.874,68	18,52
53	Representation costs	0,00	0,00	445,02	0,02
54	Guests	0,00	0,00	0,00	0,00
61	Posters, leaflets and booklets	246.411,68	26,89	608.978,65	30,57
62	Advertising inserts and audiovisual advertising	187.154,55	20,42	407.234,47	20,44
63	Advertising material, gadgets, publicity by telecommunication equipments	151.529,01	16,53	276.953,32	13,90
64	Websites Internet Sites + e-publicity	39.130,57	4,27	106.710,95	5,36
65	Visits to institutions; information stands	4.224,85	0,46	6.538,26	0,33
	<u>TOTAL ART. 7.1.</u>	916.449,86	100,00	1.992.282,66	100,00

Financial inventory budget period 2014-1

Category and write-down rate		25%		25%		12.5%		12.5%		10%		
		(€)	(€)	(€)	(€)	(€)	(€)	(€)	(€)	(€)	(€)	
IT software		IT hardware		Telecom- munications equipment		Technical equipment and supplies		Miscellaneous machinery and installations		Movable property (seats, desks, cabinets)		Total
Historical cost	Opening balances (historical cost)	12.965,52	12.766,74	29.204,50	0,00	0,00	0,00	0,00	0,00	54.936,76		
	Less items sold and entered in profit-and-loss account	0,00	0,00	-1.297,89						-1.297,89		
	Plus Acquisitions during the financial year			660,33						660,33		
	Plus Transfers	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
	Result Closing balance at historical cost	12.965,52	12.766,74	28.566,94	0,00	0,00	0,00	0,00	0,00	0,00	54.299,20	
Accumulated depreciation	Opening balances (accumulated depreciation)	-12.040,52	-9.967,99	-22.123,34	0,00	0,00	0,00	0,00	0,00	-44.131,85		
	Less Accumulated depreciation of items sold and entered in p/l account	-	-	-						1.297,89		
	Plus Depreciation charge for the financial year	346,88	741,85	1.251,74						2.340,47		
	Result Closing balance at historical cost	-12.387,40	-10.709,84	-22.077,19	0,00	0,00	0,00	0,00	0,00	0,00	-45.174,43	
	Written-down values	Net book value of fixed assets on 31/12/2013	925,00	2.798,75	7.081,16	0,00	0,00	0,00	0,00	0,00	10.804,91	
	Net book value of fixed assets on 30/06/2014	578,13	2.056,90	6.489,75	0,00	0,00	0,00	0,00	0,00	9.124,77		