

Etuce

Financial statements
at 31 December 2008

Free translation from the French original

Statutory Auditor's Interim Report to the board of Etuce on the financial statements for the year ended December 31, 2008

We report to you on the performance of our mandate as statutory auditor of the Association of ETUCE.

This interim report contains our opinion on the financial statements as of December 31, 2008, composed of a balance sheet, a detail of assets and liabilities and a summary of income and expenditure accounts. This report also contains additional comments and information.

Unqualified opinion on the financial statements

We have audited the financial statements for the year ended December 31, 2008, which were prepared by you and which are not intended to be a presentation in conformity with the accounting principles generally accepted in Belgium.

These financial statements show a balance sheet total of € 424.765,62 and a loss for the year of € 33.641,09.

Responsibility of Management and the Board for the preparation and fair presentation of the financial statements

Management and the Board are responsible for the preparation and fair presentation of the financial statements. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements 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 circumstances.

Responsibility of the statutory auditor

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Belgium. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

**Audit report dated March 30, 2009 on the financial statements
of ETUCE for the year ended December 31, 2008**

In accordance with these standards, we have performed procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, we have considered internal control relevant to the Association's preparation and fair presentation of the financial statements 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 Association's internal control. We have evaluated the appropriateness of accounting policies used, the reasonableness of significant accounting estimates made by the Association and the presentation of the financial statements, taken as a whole. Finally, we have obtained from management and the Association's officials the explanations and information necessary for executing our audit procedures. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the financial statements for the year ended December 31, 2008 give a true and fair view of the Association's financial position and the results of its operations in accordance with the financial reporting framework as adopted by ETUCE.

Additional comments and information

Our responsibility is to include in our report the following additional comments and information, which do not modify the scope of our opinion on the special purpose financial statements:

- Without prejudice to formal aspects of minor importance, the accounting records were maintained in accordance with the legal and regulatory requirements applicable in Belgium. The financial statements are presented in a specific format as adopted by ETUCE.
- Except for the presentation of the financial statements, the Belgian GAAP accounting framework has been adhered to.

**Audit report dated March 30, 2009 on the financial statements
of ETUCE for the year ended December 31, 2008**

- This report was prepared solely for information and use of the Board in maintaining the financial statements of ETUCE and is not intended to be and should not be used by anyone other without our prior written approval.

Diegem, March 30, 2009

Ernst & Young Reviseurs d'Entreprises SCCRL
Statutory auditor
represented by

A large, stylized handwritten signature in black ink, appearing to read 'Herman Van den Abeele'.

Herman Van den Abeele
Partner

Financial statements

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ETUCE

Financial report at 31 December 2008

1. Balance sheet

	Balance 31/12/2008	Balance 31/12/2007
<u>1. Assets</u>	<u>Euro</u>	<u>Euro</u>
1.1. Fixed assets	18.969,41	16.417,74
1.2. Cash and deposits	232.643,66	88.798,22
1.3. Accounts receivable	170.512,80	242.638,12
1.4. Dues receivable	0,00	0,00
1.5. Income receivable	2.639,75	1.468,29
<u>Total assets</u>	<u>424.765,62</u>	<u>349.322,37</u>

	Balance 31/12/2008	Balance 31/12/2007
<u>2. Liabilities</u>	<u>Euro</u>	<u>Euro</u>
2.1. Accounts payable	293.571,61	184.581,02
2.2. Prov. For accounts payable	0,00	0,00
2.3. Reserve fund	164.741,35	267.399,17
2.4. Deferred Income	93,75	0,00
<u>Total liabilities</u>	<u>458.406,71</u>	<u>451.980,19</u>

<u>3. Excess of Liabilities over Assets</u>	<u>-33.641,09</u>	<u>-102.657,82</u>
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2. Detail of assets and liabilities

	Balance 31/12/2008
<u>1. Assets</u>	<u>Euro</u>
<u>1.1. Fixed assets</u>	
Furniture	20.713,50
Hardware-software	59.237,35
Material in leasing	0,00
Accumulated depreciation	-60.981,44
<i>Total</i>	<i>18.969,41</i>
<u>1.2. Cash and deposits</u>	
Deposits	0,00
Cash and banks	232.643,66
<i>Total</i>	<i>232.643,66</i>
<u>1.3. Accounts receivable</u>	
Miscellaneous	17.655,43
Current Account Foundation ETUCE	128.052,06
Deferred charges	10.309,51
Staff advances	7.144,24
Subsidies to be received EC projects	7.351,56
<i>Total</i>	<i>170.512,80</i>
<u>1.4. Dues receivable</u>	
Education International	0,00
<i>Total</i>	<i>0,00</i>
<u>1.5. Income receivable</u>	
Bank Interests	2.639,75
<i>Total</i>	<i>2.639,75</i>
<u>Total assets</u>	<u>424.765,62</u>

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<u>2. Liabilities</u>		Balance 31/12/2008
		Euro
<u>2.1. Accounts payable</u>		
Invoices & expense claims outstanding		267.207,84
Provisions holiday with pay		26.363,77
		293.571,61
<u>2.2. Provisions</u>		
Provisions		0,00
		0,00
<u>2.3. Reserve funds</u>		
Reserve fund as at 31/12/2007 (before allocation of this year result)		164.741,35
		164.741,35
<u>2.4 Deferred Income</u>		
Dues received for next year		93,75
		93,75
<u>Total liabilities</u>		<u>458.406,71</u>

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3. Summary of income and expenditure accounts

	<u>2008</u>	
	<u>Budget</u> Euro	<u>Actual</u> Euro
<i>1. Etuce own activities</i>		
a) Income	781.631,00	816.753,86
b) Expenditures	949.450,00	925.110,64
<i>2. EC Projects Activities</i>		
Net allocation (Staff & Indirect - Own contribution)	165.000,00	#REF!
Expenditures over Income as at 31 December 2008	-2.819,00	#REF!

4. Detail of income and expenditure accounts - Own activities

	<u>2008</u>	
	<u>Budget</u> Euro	<u>Actual</u> Euro
a) Income		
Membership Dues based on a DPM Euro 0,313 per member	779.631,00	808.991,40
Previous years	0,00	0,00
Divers	2.000,00	7.762,46
Total	781.631,00	816.753,86

The income consists of 3 parts :

- ° The dues the members pay to Education International for the attention of ETUCE
- ° The ETUCE's costs/salary costs refunded by the EC after deduction of the own contribution
- ° The miscellaneous income

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Financial report at 31 December 2008

	<u>2008</u>	
	<u>Budget</u> Euro	<u>Actual</u> Euro
b) Expenditures		
1. General assembly	0,00	0,00
2. Bureau (4- 6)	12.900,00	4.651,96
Travel	9.000,00	2.937,53
Accommodation	2.500,00	974,85
Restaurant	1.000,00	739,58
Divers	400,00	0,00
3. Executive Board (2)	36.500,00	34.736,92
Travel	17.000,00	9.630,24
Accommodation	10.000,00	17.745,30
Interpretation	5.000,00	2.226,40
Translation	1.000,00	0,00
Rent	1.000,00	1.690,00
Restaurant	2.500,00	3.444,98
Divers	0,00	0,00
4. Consultative Meeting once a year	21.500,00	24.765,67
Travel (only EB members)	8.500,00	11.365,32
Accommodation (only EB members)	5.000,00	6.883,50
Interpretation	2.500,00	0,00
Translation	500,00	2.232,12
Rent	2.000,00	0,00
Restaurant	1.000,00	3.842,06
Follow-up and publications	500,00	0,00
Interventions (speakers,guests,...)	1.000,00	0,00
Divers	500,00	442,67
5. Mission and Representation	25.000,00	24.751,83
General Secretary	18.000,00	14.149,06
Member of the Bureau	2.500,00	2.510,24
Member of the Ex. Bo.	2.500,00	0,00
Other	2.000,00	8.092,53

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	2008	
	Budget Euro	Actual Euro
6. Secretariat	784.600,00	802.520,81
<u>Personnel</u>		
-General Secretary	137.000,00	140.162,58
-Technical Staff	520.500,00	543.983,80
<u>Office costs</u>		
-Rent	40.000,00	37.530,87
-Furniture and Equipment	5.000,00	8.556,67
- Maintenance and Cleaning	10.000,00	10.750,54
<u>Working costs</u>		
-Copy and printing	8.000,00	7.305,01
-Training	5.500,00	8.624,89
-Insurance	2.500,00	3.377,13
-Restaurant/drinks	1.800,00	2.655,31
-Subscription	500,00	124,84
-Office supplies	5.000,00	3.249,12
-Telecommunication	8.000,00	5.301,03
-Mail	1.000,00	151,39
<u>Translation</u>	15.000,00	13.320,51
<u>Depreciation year</u>	10.000,00	7.263,10
<u>Bank Charges</u>	3.000,00	573,01
<u>Travel</u>	4.000,00	3.362,26
<u>External & internal audit</u>	6.800,00	6.076,10
<u>Divers (gifts&travel)</u>	1.000,00	152,65
7. Advisory Panels (Combined with the EB)	4.250,00	487,36
Travel	2.000,00	0,00
Accommodation	1.000,00	115,00
Translation	0,00	0,00
Restaurant	1.000,00	372,36
Divers/rent	250,00	0,00
8. Networks	9.700,00	0,00
Travel	4.000,00	0,00
Accommodation	1.700,00	0,00
Rent	2.000,00	0,00
Interpretation	0,00	0,00
Restaurant	1.000,00	0,00
Report	1.000,00	0,00
Divers		

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	<u>2008</u>	
	<u>Budget</u> Euro	<u>Actual</u> Euro
9. Activities & Seminar	50.000,00	31.790,87
Joint activities EI-ETUCE-ETUI Social Dialogue		-6.010,66
Participation in various activities		3.564,49
Study : TEACHERS PAY IN EUROPE		18.500,00
Participation to Euro Demo Ljubljana April 2008		7.778,95
Representation to the European Commission		7.958,09
10. Information activities	5.000,00	1.405,22
(History of ETUCE & OBESSU)		
- Accommodation		0,00
- Travel		569,45
- Subsistence		545,93
- Other		4,84
- Translation		0,00
- Post		0,00
- Fees		0,00
- Publication		0,00
- Rent Meeting rooms		285,00
- Gift & flowers		0,00
- Sales of Books		0,00
Total expenses	949.450,00	925.110,64
Total income	781.631,00	816.753,86
Total expenses	949.450,00	925.110,64
Expenditures over Income as at 31 December 2008	-167.819,00	-108.356,78

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4. Status of the projects with the European Commission/Agency

Year 2008	Bal. b/f 31/dec/07	Funds received 2008 (1)	Contributions ETUCE	Expenses 2008	Bal. c/f 31/dec/08
Name of the project					
E-learning (ELFE)	87.470,00	-82.925,94 A	-4.544,06	0,00	0,00
SOCIAL DIALOGUE III VS/2006/0276	0,00	0,00 B	20,00	-20,00	0,00
STRESS	0,00	-13,41 B	3.370,96	-3.357,55	0,00
TEACHERS FOR SOCIAL EUROPE	0,00	0,00 B	-1.785,97	1.785,97	0,00
TRUCE- VIOLENCE	1.359,34	-147.476,08 B	-25.931,22	172.047,96	0,00
EUROPE NEEDS TEACHERS	25.102,36	-92.993,00 B	-39.636,03	107.526,67	0,00
ELFE 2	94,10	45.723,50 B	-15.650,33	64.120,26	2.840,53
SOCIAL DIALOGUE IV	0,00	-137.860,66 B	-37.909,71	175.770,37	0,00
GENDER EQUALITY	0,00	0,00 B	0,00	3.791,70	3.791,70
STRESS 2	0,00	0,00 B	0,00	719,33	719,33
Total	114.025,80	-506.992,59	-122.066,36	522.384,71	7.351,56

(1) A from European Commission/Agency
B from Foundation

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