

Free translation from the French original

Statutory Auditor's Report to the Etuce Regional Conference on the financial statements for the year ended December 31, 2011

In accordance with the legal and statutory requirements, we report to you on the performance of our mandate as statutory auditor of the Association of ETUCE. This report contains our opinion on the financial statements as of December 31, 2011, 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, 2011, 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 € 743.781,81 and a profit for the year of € 16.552,05.

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

Management and the Committee 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.

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.



**Audit report dated March 21, 2011 on the financial statements
of ETUCE for the year ended December 31, 2011**

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, 2011 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.
- The accounting policies applied when preparing these special purpose financial statements are in line with those as applied in prior periods.
- This report was prepared solely for information and use of the ETUCE Regional Conference and is not intended to be and should not be used by anyone other without our prior written approval.
- We would like to inform you that we audited the financial statements for the years ended December 31, 2009 and 2010 to which we have issued the attached statutory auditor's interim reports to the Board of Etuce (as replaced by the ETUCE Committee).

Diegem, March 21, 2011

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

Herman Van den Abeele
Partner

12HVA0106

ETUCE

**Financial statements
as at 31 December 2011**

ETUCE
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Financial report at 31 December 2011

1. Balance sheet

	Balance 31/12/2011	Balance 31/12/2010
1. Assets	Euro	Euro
1.1. Fixed assets	8.315,75	11.263,28
1.2. Cash and deposits	568.373,10	158.829,60
1.3. Accounts receivable	139.355,39	204.193,04
1.4. Dues receivable	26.565,50	27.025,41
1.5. Income receivable	1.172,07	343,67
Total assets	743.781,81	401.655,00

	Balance 31/12/2011	Balance 31/12/2010
2. Liabilities	Euro	Euro
2.1. Accounts payable	303.287,53	169.297,77
2.2.1 Provisions ETUCE Conference 2012 & Special Conference 2014	160.360,00	52.120,00
2.2.2 Provisions Economic crisis actions & School leadership seminar	58.024,00	0,00
2.2.3 Provisions ETUCE Working Groups/Seminars & others	25.321,00	0,00
2.3. Reserve fund	180.237,23	161.717,54
2.4 Deferred Income	0,00	0,00
Total liabilities	727.229,76	383.135,31

3. Excess of Assets over Liabilities	16.552,05	18.519,69
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2. Detail of assets and liabilities

		Balance 31/12/2011
<u>1. Assets</u>		<u>Euro</u>
<u>1.1. Fixed assets</u>		
Furniture		20.713,50
Hardware-software		21.876,76
Material in leasing		0,00
Accumulated depreciation		-34.274,51
<i>Total</i>		<i>8.315,75</i>
<u>1.2. Cash and deposits</u>		
Deposits		0,00
Cash and banks		568.373,10
<i>Total</i>		<i>568.373,10</i>
<u>1.3. Accounts receivable</u>		
Miscellaneous		7.177,85
Current Account Foundation ETUCE		111.568,63
Deferred charges		10.391,04
Advances staff and MO's		1.448,05
Subsidies to be received EC projects		8.769,82
<i>Total</i>		<i>139.355,39</i>
<u>1.4. Dues receivable</u>		
Education International		26.565,50
<i>Total</i>		<i>26.565,50</i>
<u>1.5. Income receivable</u>		
Bank Interests		1.172,07
<i>Total</i>		<i>1.172,07</i>
<i>Total assets</i>		<i>743.781,81</i>

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<u>2. Liabilities</u>	Balance 31/12/2011 Euro
<u>2.1. Accounts payable</u>	
Invoices & expense claims outstanding	268.829,75
Provisions holiday with pay	34.457,78
<i>Total</i>	<u>303.287,53</u>
<u>2.2. Provisions</u>	
Provisions ETUCE Conference 2012 & Special Conference 2014	160.360,00
Provisions Economic crisis actions & School leadership seminar	58.024,00
Provisions ETUCE Working Groups/Seminars & others	25.321,00
<i>Total</i>	<u>243.705,00</u>
<u>2.3. Reserve funds</u>	
Reserve funds (before allocation of this year result)	180.237,23
<i>Total</i>	<u>180.237,23</u>
<u>2.4 Deferred Income</u>	
Dues received for next year	0,00
<i>Total</i>	<u>0,00</u>
<i>Total liabilities</i>	<u>727.229,76</u>

3. Summary of income and expenditure accounts

	2011	
	Budget Euro	Actual Euro
<i>1. Etuce own activities</i>		
a) Income	1.186.046	1.232.370
b) Expenditures	1.205.679	1.237.436
<i>2. EC Projects Activities</i>		
Net allocation (Staff & Indirect - Own contribution)	60.917	21.617
Income over Expenditures as at 31 December 2009	41.284	16.552

4. Detail of income and expenditure accounts - Own activities

	2011	
	Budget Euro	Actual Euro
a) Income		
Membership Dues based on a DPM Euro 0,445 per member	1.184.546	1.197.081
Previous years	0	3.049
Miscellaneous	1.500	32.241
Total	1.186.046	1.232.370

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 2011

	2011	
	Budget Euro	Actual Euro
b) Expenditures		
I. STATUTORY MEETINGS	182.960	209.055
1. ETUCE Conference - every 4 years	78.180	65.046
2. ETUCE Special Conference - every 2nd year following the ETUCE Conference	0	40.090
3. ETUCE Bureau	14.960	9.691
4. ETUCE Committee - 2 times/year	89.820	94.228
II. ADVISORY AND STANDING COMMITTEES, NETWORKS, PANELS and WORKING GROUPS	87.200	81.341
1. Education Advisory Panel	1.350	1.987
2. ETUCE Women's Network	1.000	0
3. Standing Committee Higher Educ. & Research=HERSC	22.000	14.299
4. Standing Committee Equality	25.000	17.226
5. Status of Women Committee	1.000	1.352
6. School Leadership Working Group	5.100	19.303
7. Early Childhood Education Task Force	15.000	21.619
8. Working Group Vocational Education and Training (VET)	7.000	1.102
9. Special Working Group Structure	9.750	4.453

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Financial report at 31 December 2011

2011	
Budget	Actual
Euro	Euro

III. MISSIONS & REPRESENTATION	72.359	96.015
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By European Director	29.659	26.522
By Member of the Bureau	2.700	2.625
Bologna process-representation with BFUG and related working groups	14.000	3.414
With ESU	4.000	0
With Council of Europe & European Institutions, Bodies and Agencies	17.000	11.784
With OECD + UNESCO	2.000	381
Special Meeting on the economic crisis	0	13.888
Action & campaign framework on the economic crisis	0	27.625
Other	3.000	9.776

IV. ACTIVITIES & SEMINARS	101.660	65.222
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1. CEE Round Table	41.860	43.043
2. Other Activities & Seminars	59.800	22.178
European Demo	2.000	2.445
Joint Training Seminar with ETUI/REHS	8.200	3.367
Human & Trade Union Rights Issues	0	0
GLBT Issues at European level	10.000	0
Migration and social justice Study	0	0
Development assistance Programmes	1.000	0
Financing Education(Privatisation/crisis)	10.000	0
ETUC Congress	5.100	8.797
Assistance Non-EU members for EU activities	10.000	2.800
Foundation ETUCE operational expenditures	9.000	402
Social Dialogue Committee	1.000	640
Miscellaneous	3.500	3.728

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	2011	
	Budget Euro	Actual Euro
V. ETUCE SECRETARIAT	757.000	782.816
Personnel		
-European Director	154.370	153.662
-Technical Staff	533.221	565.310
Office costs		
-Furniture and Equipment	8.380	10.296
Working costs		
-Copy and printing	13.803	6.404
-Training	3.570	726
-Insurance	3.580	3.445
-Subsistence	2.508	2.224
-Office supplies	5.604	4.500
-Telecommunication/Websites	6.095	7.137
Translations	10.178	11.675
Depreciations	7.000	8.675
External & Internal audit	6.528	6.843
Other Working costs	2.163	1.920
VI. INFORMATION ACTIVITIES	4.500	2.987
News letters/Information bulletins/reports	4.000	2.987
Others	500	0
Total expenses Own activities	1.205.679	1.237.436
Total income Own activities	0	1.232.370
Total expenses Own activities	1.205.679	1.237.436
Expenditures over Income as at 31 December 2011	-19.633	-5.065

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Financial report at 31 December 2011

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

Year 2011	Balance 31/dec/10	Funds received 2011	Contributions ETUCE	Expenses 2011	Balance 31/dec/11
Name of the project					
Co-Reg-LLL	0,00	-6.735,52	-2.749,43	9.484,95	0,00
Stress III	693,56	-192.665,56	-49.471,89	241.443,89	0,00
3rd Party Violence - Eurocommerce	0,00	-12.229,20	0,00	12.229,20	0,00
Recruitment & Retention	0,00	0,00	0,00	1.739,62	1.739,62
Gender 2	0,00	0,00	0,00	1.732,39	1.732,39
ICT in Education	0,00	0,00	0,00	4.509,42	4.509,42
European Policy Network	0,00	0,00	0,00	788,39	788,39
Total	693,56	-211.630,28	-52.221,32	271.927,86	8.769,82

Initialed for Identification
ERNST & YOUNG Brussels