

**Euro-Mediterranean Foundation of Support to Human Rights Defenders**

**Central Business Registration No:  
28 47 85 26**

**Annual report 2008**

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## **Foundation details**

### **Foundation**

Euro-Mediterranean Foundation of Support to Human Rights Defenders  
Vestergade 16, 2.  
DK-1456 Copenhagen K  
Denmark

Central Business Registration No: 28 47 85 26  
Registered in: Copenhagen  
Established: 26 November 2004

Phone: +45 32 64 17 12  
Fax: +45 32 64 17 02  
Internet: [www.emhrf.org](http://www.emhrf.org)

### **Board**

Driss El Yazami, President  
Christine M. Merkel, Vice-President  
Eskil Trolle, Treasurer  
Hanny Megally  
Lynn Welchman  
Bahey El Din Hassan  
Kamel Jendoubi  
Khémaïs Chammari  
Leila Rhiwi

### **Project Coordinator**

Anne-Sophie Schaeffer

### **Auditor**

Deloitte Statsautoriseret Revisionsaktieselskab

Adopted 30 March 2009

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Eskil Trolle, Treasurer

## Statement by Management on the annual report

We have today considered and adopted the annual report of the Euro-Mediterranean Foundation of Support to Human Rights Defenders for the financial year 1 January to 31 December 2008.

The annual report was prepared in accordance with the Danish Act on Foundations and Certain Associations. We consider the applied accounting policies appropriate and the estimates made reasonable. Furthermore, we consider the overall annual report true and fair. Therefore, in our opinion, the annual report gives a true and fair view of the financial position and the operating results for the Foundation.

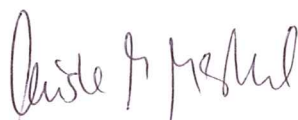
None of the Foundation's assets are pledged or burdened with owner reservation other than those noted in the annual report, and there are no contingent liabilities, which are not mentioned in the annual report.

Copenhagen, 30 March 2009

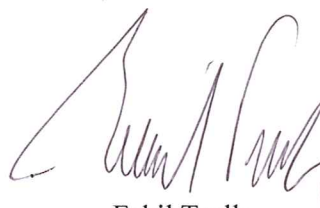
### Board



Driss El Yazami  
President



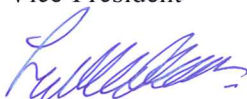
Christine M. Merkel  
Vice-President



Eskil Trolle  
Treasurer



Hanny Megally



Lynn Welchman



Bahey El Din Hassan



Kamel Jendoubi



Khémaïs Chammari



Lena Rhiwi

### Programme Coordinator



Anne-Sophie Schaeffer

## **Independent auditor's report**

### **To the Board of the Euro-Mediterranean Foundation of Support to Human Rights Defenders**

We have audited the annual report of the Euro-Mediterranean Foundation of Support to Human Rights Defenders for the financial year 1 January to 31 December 2008, which comprises the statement by the Management on the annual report, Management's review, accounting policies, income statement, balance sheet and notes. The annual report has been prepared in accordance with the Danish Act on Foundations and Certain Associations.

#### **Management's responsibility for the annual report**

The Management is responsible for the preparation and fair presentation of an annual report in accordance with the Danish Act on Foundations and Certain Associations. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of an annual report that is 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. In addition, it is the responsibility of the Management that funds regarding subsidies received are in accordance with granted licences, laws and other regulations as well as agreements and ordinary practice.

#### **Auditor's responsibility and basis of opinion**

Our responsibility is to express an opinion on this annual report based on our audit. We conducted our audit in accordance with Danish Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the annual report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Foundation's preparation and fair presentation of an annual report 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 Foundation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the annual report. Furthermore the audit comprises an assessment of whether the funds regarding subsidies received are in accordance with granted licences, laws and other regulations as well as agreements and ordinary practice.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

## Independent auditor's report

### Opinion

In our opinion, the annual report gives a true and fair view of the Foundation's financial position at 31 December 2008 and of its financial performance for the financial year 1 January to 31 December 2008 in accordance with the Danish Act on Foundations and Certain Associations. Furthermore, it is our opinion that funds regarding subsidies received are in accordance with granted licences, laws and other regulations as well as agreements and ordinary practice.

### Statement on performance audit

In connection with the financial audit of the Foundation's annual report for 2008, we have assessed whether proper financial considerations have been taken in selected areas regarding the administration of subsidies received.

### Management's responsibility

The Management is responsible for establishing guidelines and procedures ensuring that proper financial considerations are taken regarding the administration of subsidies received.

### Auditor's responsibility and basis of opinion on the performance audit

In accordance with the "Audit instructions for private organisations' (NGOs') administration of government grants to single projects etc. in developing countries", we have examined whether the Foundation has established business processes ensuring financially appropriate administration of subsidies received. Our work has been performed to obtain reasonable assurance that the administration has been handled in a manner that is financially appropriate.

### Opinion

When performing the audit, we found no circumstances that would cause us to believe that the administration in 2008 of subsidies received has not been handled in a manner that is financially appropriate.

Copenhagen, 30 March 2009

#### Deloitte

Statsautoriseret Revisionsaktieselskab



Christian Dalmoose Pedersen  
State Authorised Public Accountant



Knud Vestergaard  
State Authorised Public Accountant

## **Management's review**

In Management's opinion, all information material to the assessment of the Foundation's financial position, the results for the year and the financial development is disclosed in the financial statements and in this annual report.

After the balance sheet date, no significant events have occurred which are considered to have a material effect on the assessment of the financial statements.

## **Main activity**

The Foundation aims to support human rights organisations and defenders in the Euro-Mediterranean region.

The Foundation is established as a legal independent entity in Denmark and the Board, the highest authority of the Foundation, consists of an equal number of EU and non-EU-resident members who fulfil their functions on a voluntary basis.

For further description of the activities, we refer to the "Annual Activity Report", which is published on the website ([www.emhrf.org](http://www.emhrf.org)) or can be required at the office in Copenhagen.

## **The financial development and activities during 2008**

The activities of the Foundation proceeded well in 2008.

## **The expected development**

For the financial year 2009, Management expects activities to equal or exceed 2008. The income statement is expected to show a profit of approx. EUR 0.

The Foundation has signed a contract for the years 2009 to 2011 with the European Commission and still benefits from the support from the Danish International Development Agency, the Dutch Ministry of Foreign Affairs and the Swedish International Development Cooperation Agency (SIDA) in 2009. In addition, the Foundation expects to raise funds from other public and private institutions in order to diversify its funding sources.

## Accounting policies

### Basis of preparation

This annual report has been prepared in accordance with Danish accounting legislation, generally accepted Danish accounting principles and the provisions of the Danish Act on Foundations and Certain Associations. The accounting policies are unchanged compared to the previous year.

The annual report is presented in EUR.

Rate used DKK-EUR = 7.45

### Recognition and measurement

The financial statements have been prepared under the historical cost method.

Income is recognised as subsidies are received and used for the proper purpose. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Foundation, and the value of the assets can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Foundation, and the value of the liability can be measured reliably.

Assets and liabilities are measured at cost.

### Income statement and balance sheet

Income is recognised as subsidies are received and used for the proper purpose.

Expenses paid prior to receipt of subsidy commitments are capitalised. Income and expenses are recognised at the date of receipt of subsidy commitments and in the period to which the subsidy relates.

The Foundation's tax liability has been calculated according to Danish tax rules applying to Foundations and Certain Associations.

Liabilities are measured at nominal value.



**Income statement for 2008**

	<u>Notes</u>	<u>2008 EUR</u>	<u>2007 EUR</u>
Subsidies taken to income	1	546,949	511,002
<b>Total operating income</b>		<b>546,949</b>	<b>511,002</b>
Salaries and wages	2	(107,552)	(77,127)
Activity expenses	3	(140,855)	(79,339)
Administrative expenses	4	(29,375)	(14,746)
<b>Profit before financial items</b>		<b>269,167</b>	<b>339,790</b>
Financial expenses	5	(4,073)	4,804
<b>Operating profit</b>		<b>265,094</b>	<b>344,594</b>
Tax		0	0
<b>Profit for the year</b>		<b>265,094</b>	<b>344,594</b>
 <b>Proposed distribution of profit</b>			
Grant support allocated in prior years		512,213	
Attributed to provisions for grant support allocated in 2006		(172,213)	
Attributed to provisions for grant support allocated in 2007		(340,000)	
Grant support allocated in 2008		191,682	
Provisions for grant support allocated in 2008		70,000	
Grant support allocated in 2008, total		261,682	
Distributable capital		3,412	
		<b>265,094</b>	

**Balance sheet at 31 December 2008**

	<u>Notes</u>	<u>2008 EUR</u>	<u>2007 EUR</u>
Cash at bank, basic capital	6	48,932	48,441
Current account with available assets		(7,611)	(7,120)
<b>Restricted assets</b>		<b>41,321</b>	<b>41,321</b>
Cash at bank and in hand	6	552,733	844,878
Current account with available assets		7,611	7,120
Calculated interest		8,396	0
<b>Available assets</b>		<b>568,740</b>	<b>851,998</b>
<b>Assets</b>		<b>610,061</b>	<b>893,319</b>
Basic capital		41,321	41,321
Distributable capital		10,168	6,756
<b>Equity</b>	10	<b>51,489</b>	<b>48,077</b>
Provisions for grant support allocated	7	70,000	512,213
<b>Provisions</b>		<b>70,000</b>	<b>512,213</b>
Prepaid contribution	8	0	248,958
Obligations to grantees		363,389	42,386
Other liabilities	9	125,183	41,685
<b>Current liabilities</b>		<b>488,572</b>	<b>333,029</b>
<b>Total liabilities</b>		<b>488,572</b>	<b>333,029</b>
<b>Equity and liabilities</b>		<b>610,061</b>	<b>893,319</b>

## Notes

	<b>2008</b>	<b>2007</b>
	<b>EUR</b>	<b>EUR</b>
<b>1. Subsidies taken to income</b>		
Royal Danish Ministry of Foreign Affairs	229,181	187,597
Dutch Ministry of Foreign Affairs	172,399	150,000
Swedish International Development Cooperation Agency	145,369	159,982
Private funds in Denmark	0	13,423
	<b>546,949</b>	<b>511,002</b>
<b>2. Salaries and wages</b>		
Coordinators	55,939	55,609
Accountant	6,760	4,659
Secretary	20,270	0
Organisational services and students	20,684	13,970
Change in provision for holiday payment	2,787	2,237
Social charges	1,112	652
	<b>107,552</b>	<b>77,127</b>
<b>3. Activity expenses</b>		
Hotel and Per Diem	35,554	19,401
Air travel	24,613	13,475
Transport airport/hotel	2,956	2,182
Translation and proof reading	24,053	18,585
Rental of interpretation equipment	615	1,475
Rental of offices and congress rooms	1,022	1,520
Honoraria, speakers, experts	8,026	0
Interpreters	6,885	6,196
Seminars and meetings	910	1,396
Consultation of the Council of Representatives	23,704	0
Auditor fees	5,805	6,700
Auditor fees – previous years	0	7,682
Lawyer fees	0	201
Information and publications	6,712	526
	<b>140,855</b>	<b>79,339</b>

**Notes**

	<b>2008</b> <b>EUR</b>	<b>2007</b> <b>EUR</b>
<b>4. Administrative expenses</b>		
Administration, EMHRN	13,691	9,734
Rental of accounting programmes	227	453
Currency and bank commissions	2,383	790
Telephone and Internet	3,281	1,745
Insurance	1,890	299
Office supplies	2,322	694
Membership fees	1,000	0
Recruiting fees	2,435	0
Other fees	433	0
Other expenses	1,713	1,031
	<b>29,375</b>	<b>14,746</b>
<b>5. Financial expenses</b>		
Interest, banks	1,160	4,426
Adjustment, Interest banks, previous years	(5,977)	0
Calculated interest, banks	1,005	0
Currency adjustments	(261)	378
	<b>(4,073)</b>	<b>4,804</b>
<b>6. Cash at bank and in hand</b>		
Jyske Bank A/S 7851 1188126	491	48,441
Jyske Bank A/S 5078 1010892	48,441	0
	<b>48,932</b>	<b>48,441</b>
Jyske Bank A/S 7851 1188837	21,242	71,853
Jyske Bank A/S 7851 1200707	64,624	177,445
Jyske Bank A/S 7851 1221505	130,827	593,026
Jyske Bank A/S 5078 1010900	335,570	0
Petty cash	470	2,554
	<b>552,733</b>	<b>844,878</b>

## Notes

	<b>2008</b> <b>EUR</b>	<b>2007</b> <b>EUR</b>	
<b>7. Provisions for grant support allocated</b>			
Provisions at 1 January 2008	512,213	295,127	
Transferred from grant support allocated in 2006	(172,213)	(122,914)	
Transferred from grant support allocated in 2007	(340,000)	0	
Provisions for grant support allocated in 2008	70,000	340,000	
	<b>70,000</b>	<b>512,213</b>	
<b>8. Prepaid contributions</b>			
Royal Danish Ministry of Foreign Affairs	0	248,958	
	<b>0</b>	<b>248,958</b>	
<b>9. Other liabilities</b>			
Royal Danish Ministry of Foreign Affairs	19,002	0	
Dutch Ministry of Foreign Affairs	6,701	0	
Swedish International Development Cooperation Agency	13,793	0	
Due income taxed at source, social security contributions, social charges	4,367	2,626	
Reserve for holiday payment	11,064	8,277	
EMHRN	22,717	17,784	
Auditor	6,700	6,700	
Other liabilities	40,839	6,298	
	<b>125,183</b>	<b>41,685</b>	
<b>10. Equity</b>			
The movements in equity are specified as follows:			
	<b>Basic capital EUR</b>	<b>Distributable capital EUR</b>	<b>Total EUR</b>
Equity at 1 January 2008	41,321	6,756	48,077
Profit for the year	—	3,412	3,412
<b>Equity at 31 December 2008</b>	<b>41,321</b>	<b>10,168</b>	<b>51,489</b>