

FINANCIAL REPORT 2004

The Network of European Foundations for Innovative Cooperation (NEF) closed its financial account for the year under review with a surplus of 12,892 EUR.

The General Reserve stands at 276,766 EUR.

The financial situation of NEF remains healthy and admits the scheduling of carefully selected new initiatives in the future.

Dan Brändström
Treasurer (until 30 May 2004)

Rien van Gendt
Treasurer (since 1 June 2004)

Balance Sheet as of 31 December 2004 and 2003 (expressed in EUR)

	2004	2003
ASSETS		
Fixed assets		
Furniture and equipment	11.348	12.947
Cash guarantees	474	-
	<u>11.822</u>	<u>12.947</u>
Current assets		
Accounts receivable	122.040	144.892
Securities	75.649	75.649
Deposits	276.766	322.594
Cash and bank	189.360	257.318
Prepaid expenses	413	1.058
Accrued income	-	499
Transferts	249	-
	<u>664.477</u>	<u>802.011</u>
Total assets	676.299 =====	814.958 =====

	2004	2003
FUNDS AND LIABILITIES		
Funds		
General fund	305.646	292.755
Provisions		
Social provision	8.220	8.220
Provision for project Euro- pean Lottery	5.000	-
Current liabilities		
Accrued payable	71.043	111.723
Accrued expenses	-	185
Deferred income	286.390	402.075
	<u>357.433</u>	<u>513.983</u>
Total funds and liabilities	676.299 =====	814.958 =====

Statement of income and expenditure for the year ended 31 December 2004 and 2003
(expressed in EUR)

	2004	2003
INCOME		
Income from projects	1.681.047	2.095.866
Income from general operations	132.557	129.798
Total income	1.813.604 =====	2.225.664 =====
EXPENDITURE		
Expenditure for projects	1.658.975	2.098.713
Expenditure for general operations	141.737	107.371
Total expenditure	1.800.712 =====	2.206.084 =====
Surplus/(deficit) for the year	12.892 =====	19.580 =====

APPENDIX 1

AUDITOR'S REPORT

Network of European Foundations for Innovative Cooperation

Financial statements as of 31 December 2004

I. Report of the statutory auditor for the year ended 31 december 2004

To the General Assembly of the
Network of European Foundations for Innovative Cooperation

In accordance with the legal and regulatory provisions we report on our audit mandate which you have entrusted to us for the financial year ended 31 December 2004.

We have entrusted the financial statements of the Network of European Foundations for Innovative Cooperation, which have been prepared under the responsibility of the association's management for the year ended 31 December 2004, which show a balance sheet total of 676.299 EUR and a profit for the year of 12.892 EUR.

Our examination has been conducted in accordance with the auditing standards of the "Belgian Institute of Legal Auditors". Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement in consideration of the specific valuation rules of the Network of European Foundations for Innovative Cooperation.


In accordance with these standards we have taken into account the administrative and accounting organisation of the Network of European Foundations for Innovative Cooperation. The responsible officers of the association have clearly replied to all our questions for information and explanations. We have examined, on a test basis, the evidence supporting the amounts included in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, taking into account the specific valuation rules adopted and described in appendix, the financial statements as of 31 December 2004 present fairly the financial position of the Network of European Foundations for Innovative Cooperation and the results of its operation for the year then ended.

Brussels, February 11, 2005

B.S.T. Réviseurs d'Entreprises, S.C.P.R.L.

Statutory auditors
represented by



Pascale TYTGAT,
Auditor.