

# **New Direction**

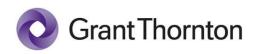
Independent auditor's report on the financial year ended 31 December 2020

A 002737 28.06.2021

Grant Thornton Bedrijfsrevisoren SCRL

Registered Office Potvlietlaan 6 2600 Berchem Belgium

www.grantthornton.be



# Independent auditor's report with respect to the Annual Accounts of the New Direction ASBL for the year ended 31 December 2020

In accordance with our service contract dated 5 January 2021 with the European Union represented by the European Parliament, we report to you as independent auditor on the performance of our audit mandate which was entrusted to Grant Thornton Bedrijfsrevisoren CVBA. This report includes our opinion on the balance sheet as at 31 December 2020, the income statement for the year ended 31 December 2020 and the disclosures (all elements together the "Annual Accounts") using the abbreviated schedule and on the Final Statement of eligible expenditure actually incurred as well as on compliance with rules and regulations applicable to funding of European political parties and European political foundations and includes as well our report on regulatory requirements. These two reports are considered as one report and are inseparable.

We have been appointed as independent auditor by the European Parliament in our contract dated 5 January 2021. Our mandate expires after the delivery of our audit opinion for the year ended 31 December 2021.

# Report on the audit of the Annual Accounts and the Final Statement of eligible expenditure actually incurred

### **Unqualified opinion**

We have audited the Annual Accounts of New Direction ASBL (the "Entity"), that comprise the balance sheet on 31 December 2020, as well as the income statement of the year and the disclosures, which show a balance sheet total of € 794.372,43 and of which the income statement shows a profit for the year of € 61.992,50.

In our opinion, the Annual Accounts give a true and fair view of the Entity's net equity and financial position as at 31 December 2020, and of its results for the year then ended, prepared in accordance with the financial reporting framework applicable in Belgium, using the abbreviated schedule.

We have also audited the Final Statement of eligible expenditure actually incurred for the year ended 31 December 2020, in accordance with rules and regulations applicable to funding of European political parties and European political foundations, of New Direction ASBL.

In our opinion, the Final Statement of eligible expenditure actually incurred of the Entity for the year ended 31 December 2020 is prepared, in all material respects, in accordance with rules and regulations applicable to funding of European political parties and European political foundations.



### Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing ("ISA"). Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the Annual Accounts and the Final Statement of eligible expenditure actually incurred" section of our report.

We have complied with all ethical requirements that are relevant to our audit, including those with respect of independence.

We have obtained from the Members of the Board and the officials of the Entity the explanations and information necessary for the performance of our audit and we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter - Basis of Accounting and Restriction on Distribution

We draw attention to the Final Statement of eligible expenditure actually incurred. This schedule is prepared to assist the Entity to meet the requirements of the European Parliament. As a result, the schedule may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

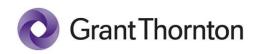
### **Other Matters**

We draw your attention to the developments surrounding the Covid-19 virus that has a profound impact on people's health and on society as a whole. This also has an impact on the operational and financial performance of organisations and the assessment of the Entity's ability to continue as a going concern. The situation gives rise to inherent uncertainty. The Entity has not made any disclosure of its assessment of the impact of Covid-19 in the Annual Accounts. We have considered the uncertainties related to the potential effects of Covid-19 and the assumptions made by the Entity in this respect on its operations and financial situation. Our opinion is not modified in respect of this matter.

On 31 January 2020, the United Kingdom withdrew from the European Union and the European Atomic Energy Community (EURATOM). Following intense negotiations, an agreement on future EU-UK relations was concluded end of December 2020. The Entity has not made any disclosure of its assessment of the impact of Brexit and the aforementioned agreement in the Annual Accounts. We have considered the uncertainties related to the potential effects of Brexit and the assumptions made by the Entity in this respect on its operations and financial situation. Our opinion is not modified in respect of this matter.

# Responsibilities of the Members of the Board for the preparation of the Annual Accounts and the Final Statement of eligible expenditure actually incurred

The Members of the Board are responsible for the preparation of the Annual Accounts that give a true and fair view in accordance with the reporting framework applicable in Belgium and the Final Statement of eligible expenditure actually incurred. This responsibility



includes: designing, implementing and maintaining internal control which the Members of the Board determine to be necessary to enable the preparation of the Annual Accounts and the Final Statement of eligible expenditure actually incurred that are free from material misstatement, whether due to fraud or error.

The Members of the Board are responsible towards the European Parliament for the use of the grant awarded and must comply with the provisions of the Regulation (EU, Euratom) No 1141/2014, Regulation (EU, Euratom) 2018/1046 ('the Financial Regulation') and the underlying acts.

As part of the preparation of the Annual Accounts, the Members of the Board are responsible for assessing the Entity's ability to continue as a going concern, and provide, if applicable, information on matters impacting going concern. The Members of the Board should prepare the Annual Accounts using the going concern basis of accounting, unless the Members of the Board either intend to liquidate the Entity or to cease business operations, or has no realistic alternative but to do so.

# Our responsibilities for the audit of the Annual Accounts and the Final Statement of eligible expenditure actually incurred

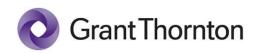
Our objectives are to obtain reasonable assurance whether the Annual Accounts and the Final Statement of eligible expenditure actually incurred are free from material misstatement, whether due to fraud or error, and to express an opinion on these Annual Accounts and Final Statement of eligible expenditure actually incurred based on our audit. Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with the ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Annual Accounts and the Final Statement of eligible expenditure actually incurred.

When performing our audit, we comply with the legal, regulatory and normative framework that applies to the audit of the financial statements in Belgium. However, a statutory audit does not provide assurance as to the future viability of the Entity nor as to the efficiency or effectiveness with which the governing body has conducted or will conduct the Entity's business. Our responsibilities regarding the assumption of going concern applied by the governing body are described below.

Furthermore, with respect to the Final Statement of eligible expenditure actually incurred, it is our responsibility to express an opinion on the compliance with rules and regulations applicable to funding of European political parties and European political foundations.

As part of an audit, in accordance with ISA, we exercise professional judgment and we maintain professional scepticism throughout the audit. We also perform the following tasks:

 Identification and assessment of the risks of material misstatement of the Annual Accounts and the Final Statement of eligible expenditure actually incurred, whether due to fraud or error, the planning and execution of audit procedures to respond to these



- risks and obtain audit evidence which is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatements is larger when these misstatements are due to fraud, since fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtaining insight in the system of internal controls that are relevant for the audit and
  with the objective to design audit procedures that are appropriate in the circumstances,
  but not for the purpose of expressing an opinion on the effectiveness of the Entity's
  internal control;
- Evaluating the selected and applied accounting policies, and evaluating the reasonability
  of the accounting estimates and related disclosures made by the Members of the Board
  as well as the underlying information given by the Members of the Board;
- Conclude on the appropriateness of the Members of the Board's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to event or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Annual Accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going-concern;
- Evaluating the overall presentation, structure and content of the Annual Accounts and
  the Final Statement of eligible expenditure actually incurred, and evaluating whether
  these Annual Accounts and the Final Statement of eligible expenditure actually incurred
  reflect a true and fair view of the underlying transactions and events.

We communicate with the Members of the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

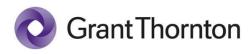
### Report on regulatory requirements

### Responsibilities of the Members of the Board

The Members of the Board are responsible for the compliance by the Entity with the legal and regulatory requirements applicable in Belgium, its articles of association, the legal and regulatory requirements regarding bookkeeping and the provisions of the Grant Agreement between the European Parliament and the Entity ('the Funding Agreement'), Regulation (EU, Euratom) No. 1141/2014, Regulation (EU, Euratom) 2018/1046 ('the Financial Regulation') and the underlying acts.

### Responsibilities of the auditor

Our audit work included specific procedures to gather sufficient and appropriate audit evidence to verify, in all material respects, that the financial provisions and obligations of the grant award agreement, Regulation (EU, Euratom) No 1141/2014, Regulation (EU, Euratom) 2018/1046 ('the Financial Regulation') and the underlying acts have been met.



### Independence matters

We have not performed any other services that are not compatible with the audit of the Annual Accounts and the Final Statement of eligible expenditure actually incurred and we have remained independent of the Entity during the course of our mandate.

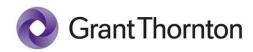
### Other communications

- Without prejudice to certain formal aspects of minor importance, the accounting records were maintained in accordance with the legal and regulatory requirements applicable in Belgium;
- The costs declared were actually incurred;
- The statement of revenue is exhaustive;
- The financial documents submitted by the entity to the European Parliament are consistent with the financial provisions of the Funding Agreement;
- The obligations arising from Regulation (EU, Euratom) No 1141/2014, in particular from Article 20 thereof, have been met;
- The obligations arising from the Funding Agreement, in particular from Article II.9 and Article II.19 thereof, have been met;
- Any surplus of Union funding was carried over to the next financial year and has been used in the first quarter of that financial year, pursuant to Article 222(7) of the Financial Regulation;
- Any surplus of own resources was transferred to the reserve;
- We were not yet provided with the financial statements prepared in accordance with the international accounting standards defined in article 2 of regulation (EC) No 1606/2002. The financial statements prepared in accordance with the international accounting standards will be subject to a separate audit opinion.

Vilvoorde, 25 June 2021

Grant Thornton Bedrijfsrevisoren SCRL Represented by

Gunther Loits Registered auditor



### Annex 1: Annual accounts

201				1	EUR
NAT.	Datum neerlegging	Nr.	Blz.	E.	D.

VKT-vzw 1

Vice President

### JAARREKENING EN ANDERE OVEREENKOMSTIG HET WETBOEK VAN VENNOOTSCHAPPEN EN VERENIGINGEN NEER TE LEGGEN DOCUMENTEN

DENTIFICATIEGEGEVENS (op datum van neerlegging)		
AAM: NEW DIRECTION - FOUNDATION FOR EUROPEAN I		
echtsvorm: Vereniging zonder winstoogmerk		
dres:Troonstraat		Nr.:4 Bus:
ostnummer: 1000 Gemeente: Brussel	***************************************	
and: <i>België</i>		
echtspersonenregister (RPR) - Ondernemingsrechtbank van:	Brussel, nederlandstalige	
ternetadres <sup>1</sup> :		
	Ondernemingsnummer	BE 0820.210.719
DATUM 01 / 02 / 2021 van de neerlegging van he oprichtingsakte en van de akte tot statutenwijziging vermeldt.	et recentste stuk dat de datum va	an bekendmaking van de
JAARREKENING JAARREKENING IN EURO (2 decimalen)	]	
goedgekeurd door	r de algemene vergadering <sup>2</sup> van	24   06   2021
met betrekking tot het boekjaar dat de periode dekt van	01 / 01 / 2020 tot	31   12   2020
Vorig boekjaar van	01   01   2019 tot	31 / 12 / 2019
e bedragen van het vorige boekjaar <b>zijn ﴿zِنَابِهِ الْمِنْ الْمِنْ الْمُ</b> identiek met	die welke eerder openbaar werd	den gemaakt.
otaal aantal neergelegde bladen:16		rdmodel die niet werden neergeleg
To/masz P	of the last	Ruza Tomasic

President

Facultatieve vermelding.

Door de raad van bestuur in geval van een stichting / door het algemeen leidinggevend orgaan in geval van een internationale vereniging zonder winstoogmerk.

OCR9002

<sup>3</sup> Schrappen wat niet van toepassing is.

### LIJST VAN DE BESTUURDERS EN COMMISSARISSEN EN VERKLARING BETREFFENDE EEN AANVULLENDE OPDRACHT VOOR NAZICHT OF CORRECTIE

### LIJST VAN DE BESTUURDERS EN COMMISSARISSEN

VOLLEDIGE LIJST met naam, voornamen, beroep, woonplaats (adres, nummer, postnummer en gemeente) en functie in de vereniging of stichting

Raffaele FITTO

Francesca Cafece 73, 73024 Maglie, Italië

Tomasz PIOTR POREBA

Avenue des Statuaires 50, 1180 Ukkel, België

Karol KARSKI

ul. Transportowa 7 bus 16, 15-399 Bialystok, Polen

Valdemar TOMASEVSKI

Pajautos g. 1-24, 06203 Vilnius, Litouwen

Ruza TOMASIC

Smokiva bina 341, 20260 Korcula, Kroatië

Roberts ZILE

Kapu iela 112, LV-2008 Jurmala, Letland

Jan ZAHRADIL

Matejeska 24 bus 6, 16000 Praha, Tsjechische Republiek

Angel DZHAMBAZKI

Rue Philippe le bon 26, 1000 Brussel, België

Maria Esperenza Araceli AGUILAR PINAR

Rue du Magistrat 5 bus 10, 1050 Elsene, België

Daniel HANNAN

Warren Farmhouse, Willesley Warren /,

RG25 3EH

Basingstoke, Verenigd Koninkrijk

Amjud BASHIR

Harrogate Road 439, LS17 7AB Leeds, Verenigd Koninkrijk Ondervoorzitter van de Raad van Bestuur

05/10/2020 - 05/04/2023

Voorzitter van de Raad van Bestuur

05/10/2020 - 05/04/2023

Ondervoorzitter van de Raad van Bestuur

05/10/2020 - 05/04/2023

Ondervoorzitter van de Raad van Bestuur

05/10/2020 - 05/04/2023

Ondervoorzitter van de Raad van Bestuur

05/10/2020 - 05/04/2023

Ondervoorzitter van de Raad van Bestuur

05/10/2020 - 05/04/2023

Ondervoorzitter van de Raad van Bestuur

13/07/2017 - 05/10/2020

Ondervoorzitter van de Raad van Bestuur

11/06/2020 - 11/12/2022

Ondervoorzitter van de Raad van Bestuur

05/10/2020 - 05/04/2023

Ondervoorzitter van de Raad van Bestuur

18/11/2019 - 11/06/2020

Ondervoorzitter van de Raad van Bestuur

18/11/2019 - 11/06/2020

|--|

### **OPDRACHT VOOR NAZICHT OF CORRECTIE**

### Facultatieve vermeldingen:

- indien de jaarrekening werd geverifieerd of gecorrigeerd door een externe accountant of door een bedrijfsrevisor die niet de commissaris is, kunnen hierna worden vermeld: naam, voornamen, beroep en woonplaats van elke externe accountant of bedrijfsrevisor en zijn lidmaatschapsnummer bij zijn Instituut, evenals de aard van zijn opdracht:
  - A. Het voeren van de boekhouding van de vereniging of stichting,
  - B. Het opstellen van de jaarrekening,
  - C. Het verifiëren van de jaarrekening en/of
  - D. Het corrigeren van de jaarrekening.
- indien taken bedoeld onder A. of onder B. uitgevoerd zijn door erkende boekhouders of door erkende boekhouders-fiscalisten, kunnen hierna worden vermeld: naam, voornamen, beroep en woonplaats van elke erkende boekhouder of erkende boekhouder-fiscalist en zijn lidmaatschapsnummer bij het Beroepsinstituut van erkende Boekhouders en Fiscalisten, evenals de aard van zijn opdracht.

Naam, voornamen, beroep en woonplaats	Lidmaatschaps- nummer	Aard van de opdracht (A, B, C en/of D)
BDO Accountants & Tax Advisors BV Nr.: BE 0438.475.137 Da Vincilaan 9 bus E6, 1930 Zaventem, België	50.127.778	AB

### **JAARREKENING**

### **BALANS NA WINSTVERDELING**

	Toel.	Codes	Boekjaar	Vorig boekjaar
ACTIVA				
OPRICHTINGSKOSTEN		20		
VASTE ACTIVA		21/28	2.382,31	
Immateriële vaste activa	6.1.1	21		
Materiële vaste activa	6.1.2	22/27	2.382,31	
Terreinen en gebouwen		22	••••••	
Installaties, machines en uitrusting		23		
Meubilair en rollend materieel		24	2.382,31	
Leasing en soortgelijke rechten		25		
Overige materiële vaste activa		26		
Activa in aanbouw en vooruitbetalingen		27		
Financiële vaste activa	6.1.3	28		
VLOTTENDE ACTIVA		29/58	791.990,12	538.420,63
Vorderingen op meer dan één jaar		29		
Handelsvorderingen		290		
Overige vorderingen		291		
Voorraden en bestellingen in uitvoering		3		,
Voorraden		30/36		
Bestellingen in uitvoering		37		
Vorderingen op ten hoogste één jaar		40/41	26.196,66	37.120,00
Handelsvorderingen		40	19.215,07	37.120,00
Overige vorderingen		41	6.981,59	
Geldbeleggingen		50/53		
Liquide middelen		54/58	664.587,96	471.610,82
Overlopende rekeningen		490/1	101.205,50	29.689,81
TOTAAL VAN DE ACTIVA		20/58	794.372,43	538.420,63

BE 0820.210.719 VKT-vzw 3.2

Nr.

	Toel.	Codes	Boekjaar	Vorig boekjaar
PASSIVA				
EIGEN VERMOGEN		10/15	73.207,35	11.214,85
Fondsen van de vereniging of stichting	6.2	10		
Herwaarderingsmeerwaarden		12		
Bestemde fondsen en andere reserves	6.3	13	73.207,35	11.214,85
Overgedragen winst (verlies)(+)/(-)		14		
Kapitaalsubsidies		15		
VOORZIENINGEN EN UITGESTELDE BELASTINGEN	6.2	16		
Voorzieningen voor risico's en kosten		160/5		
Pensioenen en soortgelijke verplichtingen		160	••••••	
Belastingen		161	***************************************	
Grote herstellings- en onderhoudswerken		162	***************************************	***************************************
Milieuverplichtingen		163		
Overige risico's en kosten		164/5		
Voorzieningen voor terug te betalen subsidies en legaten en voor schenkingen met terugnemingsrecht		167		
Uitgestelde belastingen		168		
SCHULDEN		17/49	721.165,08	527.205,78
Schulden op meer dan één jaar	6.3	17		
Financiële schulden		170/4		
Kredietinstellingen, leasingschulden en soortgelijke schulden		172 <b>/</b> 3		ı
Overige leningen		174/0		
Handelsschulden		175		
Vooruitbetalingen op bestellingen		176		
Overige schulden		178/9		
Schulden op ten hoogste één jaar	6.3	42/48	480.121,99	507.211,59
Schulden op meer dan één jaar die binnen het jaar vervallen		42		
Financiële schulden		43		
Kredietinstellingen		430/8		
Overige leningen		439		
Handelsschulden		44	47.285,48	54.596,93
Leveranciers		440/4	47.285,48	54.596,93
Te betalen wissels		441		
Vooruitbetalingen op bestellingen		46		
Schulden met betrekking tot belastingen, bezoldigingen en				
sociale lasten		45	30.779,37	138.192,22
Belastingen		450/3	18.018,09	72.900,90
Bezoldigingen en sociale lasten		454/9	12.761,28	65.291,32
Overige schulden		48	402.057,14	314.422,44
Overlopende rekeningen		492/3	241.043,09	19.994,19
TOTAAL VAN DE PASSIVA		10/49	794.372,43	538.420,63

Nr. BE 0820.210.719 VKT-vzw 4

### RESULTATENREKENING

Bedrijfsopbrengsten en bedrijfskosten
Brutomarge(+)/(-)
Niet-recurrente bedrijfsopbrengsten Omzet*
Lidgeld, schenkingen, legaten en subsidies*
Handelsgoederen, grond- en hulpstoffen, diensten en diverse goederen*
Bezoldigingen, sociale lasten en pensioenen(+)/(-)
Afschrijvingen en waardeverminderingen op oprichtingskosten, op immateriële en materiële vaste activa
Waardeverminderingen op voorraden, op bestellingen in uitvoering en op handelsvorderingen: toevoegingen
(terugnemingen)(+)/(-)
Voorzieningen voor risico's en kosten: toevoegingen (bestedingen en terugnemingen)(+)/(-)
Andere bedrijfskosten
Als herstructureringskosten geactiveerde bedrijfskosten(-)
Niet-recurrente bedrijfskosten
Bedrijfswinst (Bedrijfsverlies)(+)/(-)
Financiële opbrengsten  Becurrente financiële opbrengsten
Recurrente financiële opbrengsten
Recurrente financiële opbrengsten  Niet-recurrente financiële opbrengsten
Recurrente financiële opbrengsten
Recurrente financiële opbrengsten  Niet-recurrente financiële opbrengsten  Financiële kosten
Recurrente financiële opbrengsten  Niet-recurrente financiële opbrengsten  Financiële kosten  Recurrente financiële kosten
Recurrente financiële opbrengsten  Niet-recurrente financiële opbrengsten  Financiële kosten  Recurrente financiële kosten  Niet-recurrente financiële kosten
Recurrente financiële opbrengsten  Niet-recurrente financiële opbrengsten  Financiële kosten  Recurrente financiële kosten  Niet-recurrente financiële kosten  Winst (Verlies) van het boekjaar vóór belasting(+)/(-)
Recurrente financiële opbrengsten  Niet-recurrente financiële opbrengsten  Financiële kosten  Recurrente financiële kosten  Niet-recurrente financiële kosten  Winst (Verlies) van het boekjaar vóór belasting(+)/(-)  Onttrekking aan de uitgestelde belastingen
Recurrente financiële opbrengsten  Niet-recurrente financiële opbrengsten  Financiële kosten  Recurrente financiële kosten  Niet-recurrente financiële kosten  Winst (Verlies) van het boekjaar vóór belasting(+)/(-)  Onttrekking aan de uitgestelde belastingen  Overboeking naar de uitgestelde belastingen
Recurrente financiële opbrengsten  Niet-recurrente financiële opbrengsten  Financiële kosten  Recurrente financiële kosten  Niet-recurrente financiële kosten  Winst (Verlies) van het boekjaar vóór belasting(+)/(-)  Onttrekking aan de uitgestelde belastingen  Overboeking naar de uitgestelde belastingen  Belastingen op het resultaat(+)/(-)

Toel.	Codes	Boekjaar	Vorig boekjaar
	9900	594.913,85	484.429,81
	76A		
	70		
	73		
	60/61		
	62	508.140,73	528.069,18
	630	175,46	7.342,86
	631/4	7.071,53	
	635/9		
	640/8	5.507,00	4.663,98
	649		
	66A	11.457,33	
	9901	62.561,80	-55.646,21
6.4	75/76B	826,11	1.111,50
	75	826,11	1.111,50
	76B		
6.4	65/66B	1.395,41	5.624,90
	65	1.395,41	5.624,90
	66B		
	9903	61.992,50	-60.159,61
	780		
	680		
	67/77		
	9904	61.992,50	-60.159,61
	789		
	689		
	9905	61.992,50	-60.159,61

\* Facultatieve vermelding. First - VKT-vzw2021 - 6 / 16

Nr. BE 0820.210.719 VKT-vzw 5

### RESULTAATVERWERKING

Te bestemmen winst (verlies)	(+)/(-)
Te bestemmen winst (verlies) van het boekjaar	(+)/(-)
Overgedragen winst (verlies) van het vorige boekjaar	(+)/(-)
Onttrekking aan het eigen vermogen: fondsen, bestemde fondsen en andere reserves	
Toevoeging aan de bestemde fondsen en andere reserves	
Over te dragen winst (verlies)	(+)/(-)

Codes	Boekjaar	Vorig boekjaar
9906	61.992,50	-60.159,61
(9905)	61.992,50	-60.159,61
14P		
791		115.645,96
691	61.992,50	<i>55.486,35</i>
(14)	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	

Nr. BE 0820.210.719 VKT-vzw 6.1.1

### TOELICHTING

### STAAT VAN DE VASTE ACTIVA

	Codes	Boekjaar	Vorig boekjaar
IMMATERIËLE VASTE ACTIVA			
Aanschaffingswaarde per einde van het boekjaar	8059P	xxxxxxxxxxxxx	39.812,30
Mutatles tijdens het boekjaar			
Aanschaffingen, met inbegrip van de geproduceerde vaste activa	8029		
Overdrachten en buitengebruikstellingen	8039		
Overboekingen van een post naar een andere(+)/(-)	8049		
Aanschaffingswaarde per einde van het boekjaar	8059	39.812,30	
Afschrijvingen en waardeverminderingen per einde van het boekjaar	8129P	xxxxxxxxxxxxx	39.812,30
Mutaties tijdens het boekjaar			
Geboekt	8079		
Teruggenomen	8089		
Verworven van derden	8099		
Afgeboekt na overdrachten en buitengebruikstellingen	8109		
Overgeboekt van een post naar een andere(+)/(-)	8119		
Afschrijvingen en waardeverminderingen per einde van het boekjaar	8129	39.812,30	
NETTOBOEKWAARDE PER EINDE VAN HET BOEKJAAR	(21)		

Nr. BE 0820.210.719 VKT-vzw 6.1.2

	Codes	Boekjaar	Vorig boekjaar
MATERIËLE VASTE ACTIVA			
Aanschaffingswaarde per einde van het boekjaar	8199P	xxxxxxxxxxxxxx	24.131,55
Mutaties tijdens het boekjaar			
Aanschaffingen, met inbegrip van de geproduceerde vaste activa	8169	2.557,77	
Overdrachten en buitengebruikstellingen	8179	19.370,89	
Overboekingen van een post naar een andere(+)/(-)	8189		
Aanschaffingswaarde per einde van het boekjaar	8199	7.318,43	
Meerwaarden per einde van het boekjaar	8259P	xxxxxxxxxxxxxx	
Mutatles tijdens het boekjaar			
Geboekt	8219		
Verworven van derden	8229		
Afgeboekt	8239		
Overgeboekt van een post naar een andere(+)/(-)	8249		
Meerwaarden per einde van het boekjaar	8259		
Afschrijvingen en waardeverminderingen per einde van het boekjaar	8329P	xxxxxxxxxxxxx	24.131,55
Mutaties tijdens het boekjaar			
Geboekt	8279	175,46	
Teruggenomen	8289		
Verworven van derden	8299		
Afgeboekt na overdrachten en buitengebruikstellingen	8309	19.370,89	
Overgeboekt van een post naar een andere(+)/(-)	8319		
Afschrijvingen en waardeverminderingen per einde van het boekjaar	8329	4.936,12	
NETTOBOEKWAARDE PER EINDE VAN HET BOEKJAAR	(22/27)	2.382,31	
WAARVAN			
In volle eigendom van de vereniging of stichting	8349		

Nr. BE 0820.210.719 VKT-vzw 6.4

### RESULTATEN

	Codes	Boekjaar	Vorig boekjaar
Personeel			
Werknemers waarvoor de vereniging of stichting een DIMONA-verklaring heeft ingediend of die zijn ingeschreven in het algemeen personeelsregister	0		
Gemiddeld personeelsbestand berekend in voltijdse equivalenten	9087	1,0	1,0
OPBRENGSTEN EN KOSTEN VAN UITZONDERLIJKE OMVANG OF UITZONDERLIJKE MATE VAN VOORKOMEN			
Niet-recurrente opbrengsten	76		
Niet-recurrente bedrijfsopbrengsten	(76A)		
Niet-recurrente financiële opbrengsten	(76B)		
Niet-recurrente kosten	66	11.457,33	
Niet-recurrente bedrijfskosten	(66A)	11.457,33	
Niet-recurrente financiële kosten	(66B)		
FINANCIËLE RESULTATEN			
Geactiveerde interesten	6502		

1 V
-----

### NIET IN DE BALANS OPGENOMEN RECHTEN EN VERPLICHTINGEN

	Codes	Boekjaar
DOOR DE VERENIGING OF STICHTING GESTELDE OF ONHERROEPELIJK BELOOFDE PERSOONLIJKE		
ZEKERHEDEN ALS WAARBORG VOOR SCHULDEN OF VERPLICHTINGEN VAN DERDEN	9149	
Waarvan		
Door de vereniging of stichting geëndosseerde handelseffecten in omloop	9150	
ZAKELIJKE ZEKERHEDEN		
Zakelijke zekerheden die door de vereniging of stichting op haar eigen activa werden gesteld of onherroepelijk beloofd als waarborg voor schulden en verplichtingen van de vereniging of stichting		
Hypotheken		
Boekwaarde van de bezwaarde activa	91611	
Bedrag van de inschrijving	91621	
Voor de onherroepelijke mandaten tot hypothekeren, het bedrag waarvoor de volmachthebber krachtens het mandaat inschrijving mag nemen	91631	
Pand op het handelsfonds		
Maximumbedrag waarvoor de schuld is gewaarborgd en waarvoor registratie plaatsvindt	91711	
Voor de onherroepelijke mandaten tot verpanding van het handelsfonds, het bedrag waarvoor de volmachthebber krachtens het mandaat tot registratie mag overgaan	91721	
Pand op andere activa of onherroepelijke mandaten tot verpanding van andere activa	l 1	
Boekwaarde van de bezwaarde activa	91811	
Maximumbedrag waarvoor de schuld is gewaarborgd	91821	
Gestelde of onherroepelijk beloofde zekerheden op nog te verwerven activa		
Bedrag van de betrokken activa	91911	
Maximumbedrag waarvoor de schuld is gewaarborgd	91921	
Voorrecht van de verkoper		
Boekwaarde van het verkochte goed	92011	
Bedrag van de niet-betaalde prijs	92021	

Nr.	BE 0820.210.719		VKT-vzw 6.5
-----	-----------------	--	-------------

	Codes	Boekjaar
Zakelijke zekerheden die door de vereniging of stichting op haar eigen activa werden gesteld of onherroepelijk beloofd als waarborg voor schulden en verplichtingen van derden		
Hypotheken		
Boekwaarde van de bezwaarde activa	91612	
Bedrag van de inschrijving	91622	
Voor de onherroepelijke mandaten tot hypothekeren, het bedrag waarvoor de volmachthebber	0,622	***************************************
krachtens het mandaat inschrijving mag nemen	91632	•
Pand op het handelsfonds		
Maximumbedrag waarvoor de schuld is gewaarborgd en waarvoor registratie plaatsvindt	91712	•••••
Voor de onherroepelijke mandaten tot verpanding van het handelsfonds, het bedrag waarvoor		
de volmachthebber krachtens het mandaat tot registratie mag overgaan	91722	***************************************
Pand op andere activa of onherroepelijke mandaten tot verpanding van andere activa		
Boekwaarde van de bezwaarde activa	91812	
Maximumbedrag waarvoor de schuld is gewaarborgd	91822	
Gestelde of onherroepelijk beloofde zekerheden op nog te verwerven activa		
Bedrag van de betrokken activa	91912	
Maximumbedrag waarvoor de schuld is gewaarborgd	91922	
Voorrecht van de verkoper		
Boekwaarde van het verkochte goed	92012	
Bedrag van de niet-betaalde prijs	92022	***************************************
		-
		Boekjaar
BEDRAG, AARD EN VORM VAN BELANGRIJKE HANGENDE GESCHILLEN EN ANDERE BELANGRIJKE		
VERPLICHTINGEN		
REGELING INZAKE HET AANVULLEND RUST- OF OVERLEVINGSPENSIOEN TEN BEHOEVE VAN DE PERSO	NEELS- (	OF DIRECTIELEDEN
Beknopte beschrijving		

Genomen maatregelen om de daaruit voortvloeiende kosten te dekken

Nr.	BE 0820.210.719	VKT-vzw 6.5

Codes	Boekjaar
9220	

Basis en wijze waarop dit bedrag wordt berekend

	Boekjaar
AARD EN ZAKELIJK DOEL VAN BUITENBALANS REGELINGEN	
Mits de risico's of voordelen die uit dergelijke regelingen voortvloeien van enige betekenis zijn en voor zover de openbaarmaking van dergelijke risico's of voordelen noodzakelijk is voor de beoordeling van de financiële positie van de vereniging of stichting	
	Boekjaar
ANDERE NIET IN DE BALANS OPGENOMEN RECHTEN EN VERPLICHTINGEN (MET INBEGRIP VAN DEZE DIE NIET KUNNEN WORDEN BECIJFERD)	
Bankgarantie - Kredietnr. C11277812816	7.500,00

	1					
Nr. BE 0820.210.719						VKT-vzw 6.7
SOCIALE BALANS  Nummers van de paritaire comités die voor	de verer	niging of stich	ting bev	oegd zijn:		
WERKNEMERS WAARVOOR DE VER DIE ZIJN INGESCHREVEN IN HET AL					RKLARING HEEF	T INGEDIEND OF
		1. Voltijds		2. Deeltijds	3. Totaal (T) of	3P. Totaal (T) of
Tijdens het boekjaar en het vorige boekjaar	Codes	(boekjaa	ar)	(boekjaar)	totaal in voltijdse equivalenten (VTE) (boekjaar)	totaal in voltijdse equivalenten (VTE) (vorig boekjaar)
Comiddeld centel weeksemers	100		1,0		1,0 (VTE)	100/75)
Gemiddeld aantal werknemers Aantal daadwerkelijk gepresteerde uren	101	,	.900		1.900 (T)	1,0 (VTE) 1.794 (T)
Personeelskosten	102				508.140,73 (T)	528.069,18 (T)
r el solleelskostell	102				000.140,70 (1)	020.000,10 (1)
Op de afsluitingsdatum van het boekjaar			Codes	1. Voltijds	2. Deeltijds	Totaal in voltijdse equivalenten
Aantal werknemers			105	1		1,0
Volgens de aard van de arbeidsovereenko	mst					
Overeenkomst voor een onbepaalde tijd			110	1		1,0
Overeenkomst voor een bepaalde tijd			111			
Overeenkomst voor een duidelijk omschre	ven wer	k	112			
Vervangingsovereenkomst			113			
Volgens het geslacht en het studieniveau				n		
Mannen			120	1		1,0
lager onderwijs			1200			
secundair onderwijs			1201	•••••		
hoger niet-universitair onderwijs			1202			***************************************
universitair onderwijs			1203	1		1,0
Vrouwen			121			
lager onderwijs			1210			
secundair onderwijs			1211			
hoger niet-universitair onderwijs			1212		l	
universitair onderwijs						

130

134

132

133

1

......

......

Volgens de beroepscategorie

Directiepersoneel .....

Bedienden .....

Arbeiders .....

Andere .....

.....

1,0

Nr.	BE 0820.210.719	VKT-vzv	w 6.7
-----	-----------------	---------	-------

### TABEL VAN HET PERSONEELSVERLOOP TIJDENS HET BOEKJAAR

### 1. Voltijds 2. Deeltijds Totaal in Codes voltijdse equivalenten **INGETREDEN** Aantal werknemers waarvoor de vereniging of stichting tijdens het boekjaar een DIMONA-verklaring heeft ingediend of die tijdens het boekjaar werden ingeschreven in het algemeen personeelsregister ..... 205 1 1,0 **UITGETREDEN** Aantal werknemers met een in de DIMONA-verklaring aangegeven of een in het algemeen personeelsregister opgetekende datum waarop hun overeenkomst tijdens het 305 1,0 boekjaar een einde nam .....

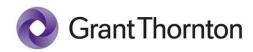
### INLICHTINGEN OVER DE OPLEIDINGEN VOOR DE WERKNEMERS TIJDENS HET BOEKJAAR

Totaal van de formele voortgezette beroepsopleidingsinitiatieven ten laste van de werkgever	Codes	Mannen	Codes	Vrouwen
Aantal betrokken werknemers	5801		5811	
Aantal gevolgde opleidingsuren	5802		5812	
Nettokosten voor de vereniging of stichting	5803	***************************************	5813	
waarvan brutokosten rechtstreeks verbonden met de opleiding	58031		58131	
waarvan betaalde bijdragen en stortingen aan collectieve fondsen	58032		58132	
waarvan ontvangen tegemoetkomingen (in mindering)	58033		58133	
Totaal van de minder formele en informele voortgezette beroepsopleidingsinitiatieven ten laste van de werkgever				
Aantal betrokken werknemers	5821		5831	
Aantal gevolgde opleidingsuren	5822		5832	
Nettokosten voor de vereniging of stichting	5823		5833	
Totaal van de initiële beroepsopleidingsinitiatieven ten laste van de werkgever				
Aantal betrokken werknemers	5841		5851	
Aantal gevolgde opleidingsuren	5842		5852	
Nettokosten voor de vereniging of stichting	5843		5853	

Nr. BE 0820.210.719 VKT-vzw 6.8

### **WAARDERINGSREGELS**

Les règles d'evaluation sont déterminées selon les dispositions imposées par le Parlement Européen. Convention de subvention de foncionnement numéro: Guide Funding awarded by the European Parliament to European political parties and foundations of Juillet 2020.



Annex 2: Final Statement of eligible expenditure actually incurred

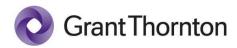
### 2020 Budget - New Direction (ND) as per 31/12/2020

Costs		
Reimbursable costs	Budget	Actual
A.1: Personnel costs	471 600,00	508 359,77
1. Salaries	340 000,00	398 727,14
2. Contributions	95 600,00	103 296,00
3. Professional training	12 000,00	0,00
4. Staff missions expenses	12 000,00	0,00
5. Other personnel costs	12 000,00	6 336,61
A.2: Infrastructure and operating costs	147 730,00	60 949,73
1. Rent, charges and maintenance costs	28 280,00	22 153,19
2. Costs relating to installation, operation and maintenance	9 778,00	0,00
of equipment	9 // 6,00	0,00
3. Depredation of movable and immovable property	9 672,00	175,46
4. Stationery and office supplies	22 000,00	6 554,75
5. Postal and telecommunications charges	16 000,00	2 844,40
6. Printing, translation and reproduction costs	60 000,00	23 238,05
7. Other Infrastructure costs	2 000,00	5 983,84
A.3: Administrative costs	1 097 270,00	837 010.57
Documentation costs (newspapers, press agencies,	111	
databases)	19 860,00	86 403,61
2. Costs of studies and research	1 022 600,00	696 964,89
3. Legal costs	20 782,00	3 309,27
4. Accounting and audit costs	34 028,00	50 332,73
5. Support to third partles	0,00	0,00
6. Miscellaneous administrative costs	0,00	0,00
A.4: Meetings and representation costs	115 227,00	122 723,74
1. Costs of meetings	60 000,00	122 263,09
2. Participation in seminars and conferences	36 627,00	460,65
3. Representation costs	2 000,00	0,00
4. Costs of invitations	14 600,00	0,00
5. Other meeting-related costs	2 000,00	0,00
A.5: Information and publication costs	228 000,00	133,58
1. Publication costs	126 000,00	0,00
2. Creation and operation of internet sites	6 000,00	0,00
3. Publicity costs	36 000,00	133,5
4. Communications equipment (gadgets)	12 000,00	0,00
5. Seminar and exhibitions	36 000,00	0,00
6. Other Information-related costs	12 000,00	0,00
A.6. Allocation to "Provision to cover eligible costs of the		
first quarter of year N+1 <sup>H</sup>		237 506,6
A. TOTAL ELIGIBLE COSTS	2 059 827,00	1 766 684,02
Ineligible costs		
1. Provisions	0,00	00,0
2. Exchange losses	2 000,00	1 395,3
3. Doubtful claims on third parties	2 000,00	0,00
4. Contributions in kind	0,00	0,00
	0,00	31 408,57
5. Other to be specified		2,500,000
B. TOTAL INEUGIBLE COSTS	4 000,00	32 805,90
C. TOTAL COSTS	2 063 827,00	1 799 487,93

	Budget	Actual
D.1. Dissolution of "Provision to cover eligible costs of the first quarter of year N"	n/a	0,0
D.2. European Parliament funding	1 936 299,00	1 817 244,0
D.3. Member contributions	2 000,00	0,0
3.1 from member organisations	1 000,00	0,0
3.2 from Individual members	1 000,00	0,0
D.4 Donations	109 578,00	272 187
4.1 above 3000 EUR	72 000,00	270 174
4.2 below 3000 EUN	37.528,00	2 013
D.5 Other own resources	10 000,00	-227 950,
Partnership, sponsorship and subscriptions	10 000,00	0,
Participation fees	0,00	0,
advertising	0,00	0,
sales	0,00	0,
Transfer from own reserves		0,
Contribution meal vouchers		0,0
Extraordinary Income		O <sub>s</sub> i
Financial Income		O,i
Extraordinary income - ineligible costs new EP 2020 decision a repaymt		-90 423,
Other income		1 366,
AUDIT_FINAL PAYMENT GRANT 2020#489100	- 1	-138 894,
D.S. Interest from pre-financing D.7. Contributions in kind	2,000,00	0,0
D. TOTAL REVENUE	2 059 827,00	1 861 480,
E. profit/loss (D-C)	-4 000.00	61 992.

F, Allocation of own resources to thir reserve account		61 992,50
G, Profit/loss for verifying compilance with the no-profit rule (E-	-4 000,00	0,00





# **New Direction**

Independent auditor's report on the Financial Statements for the year ended 31 December 2020

Grant Thornton Bedrijfsrevisoren SCRL

Registered Office Potvlietlaan 6 2600 Berchem Belgium

www.grantthornton.be



# Independent auditor's report on the Financial Statements in accordance with International Financial Reporting Standards of New Direction for the year ended 31 December 2020

### Unqualified opinion

We have audited the Financial Statements of New Direction (the "Entity"), which comprise the statement of financial position as at 31 December 2020, as well as the statement of profit or loss and the statement of comprehensive income for the year then ended, the statement of changes in equity and statement of cash flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying Financial Statements give a true and fair view of the financial position of the Entity as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

### Basis for unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the Financial Statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

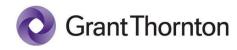
# Other Matters - Auditor's Opinion on the Annual Accounts and the Final Statement of eligible expenditure actually incurred

We have also audited the Annual Accounts of the Entity prepared in accordance with the financial reporting framework applicable in Belgium and the Final Statement of eligible expenditure actually incurred, prepared in accordance with rules and regulations applicable to funding of political parties and political foundations at European level. In this regard, we have issued our audit report dated June 25, 2021.

### **Other Matters**

We draw your attention to the developments surrounding the Covid-19 virus that has a profound impact on people's health and on society as a whole. This also has an impact on the operational and financial performance of organisations and the assessment of the Entity's ability to continue as a going concern. The situation gives rise to inherent uncertainty. We have considered the uncertainties related to the potential effects of Covid-19 and the assumptions made by the Entity in this respect on its operations and financial situation. Our opinion is not modified in respect of this matter.

On 31 January 2020, the United Kingdom withdrew from the European Union and the European Atomic Energy Community (EURATOM). Following intense negotiations, an



agreement on future EU-UK relations was concluded end of December 2020. We have considered the uncertainties related to the potential effects of Brexit and the assumptions made by the Entity in this respect on its operations and financial situation. Our opinion is not modified in respect of this matter.

# Responsibilities of the Board of Directors for the preparation of the Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the Financial Statements in accordance with IFRS, and for such internal control as the Board of Directors determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

Pursuant to paragraph 1 of Article 23 of Regulation (EU, Euratom) No 1141/2014, the Entity is required to maintain and report on their Financial Statements on the basis of international accounting standards as defined in Article 2 of Regulation (EC) No 1606/2002.

In preparing the Financial Statements, the Board of Directors are responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Entity's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

The audit has been performed following our appointment by the European Parliament, which seeks to obtain assurance relating to the Entity's adherence to its obligations under Article 23 of Regulation (EU, Euratom) No 1141/2004.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is



- higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors or their delegates regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Restriction on use and distribution

The opinion transmitted is only intended for the Entity and for the European Parliament. It may not be distributed or made available to any other parties, except those who have regulatory rights of access to it. Any review, transmission, dissemination or other use of, or taking of any action in reliance upon this information by any persons or entities other than the Entity or the European Parliament is prohibited and we will not assume any duty of care or liability towards these persons or entities.

Vilvoorde, December 7, 2021

Grant Thornton Bedrijfsrevisoren SCRL Represented by

Gunther Loits Registered auditor

# New Direction Foundation for European Reform ASBL Financial statements for the year ended 31 December 2020

Statement of financial position at 31 December 2020	
Statement of profit or loss for the year ended 31 December 2020	
Statement of changes in equity for the year ended 31 December 2020	
Statement of cash flows for the year ended 31 December 2020	6
Notes to the financial statements for the year ended 31 December 2020	7
1. General information	7
2. Significant accounting policies	8
2.1. Basis of preparation	8
2.2. Summary of significant accounting policies	9
a) Current versus non-current classification	9
b) Foreign currencies	9
c) Intangible assets	9
d) Property, plant and equipment	11
e) Leases	12
f) European Parliament Grant	14
g) Cash and cash equivalents	14
h) Financial instruments	15
i) Impairment of non-financial assets	17
j) Revenue from contracts with customers	17
2.3. Standards issued, endorsed and applied	17
2.4. First-time application of IFRS 16 - Leases	18
2.5. Application of new and revised standards and interpretations	19
3. Critical accounting estimates and judgments	20
4. Other income	22
5. Expenses by nature	23
6. Finance income and costs	23
7. Employee benefit expense	24
8. Property, plant and equipment	25
9. Financial assets and financial liabilities	26

a	)	Financial assets	26
b	)	Financial liabilities	26
С	)	Fair Values	26
10.	Fina	ncial risk management	27
a	)	Financial risk factors	27
b	)	Capital management	28
11.	Trac	de and other receivables	28
12.	Casl	n and cash equivalents2	29
13.	Equ	ity2	29
14.	Trac	de and other payables	30
15.	Con	nmitments and contingencies	31
16.	Ever	nts after the reporting date	31

# Statement of financial position at 31 December 2020

EUR	Notes	31 December 2020	31 December 2019
ASSETS			
Non-current assets			75.464
Property, plant and equipment	8	63,697	75,464
Total non-current assets		63,697	75,464
Current assets			
Trade and other receivables	11	127,402	66,810
Cash and cash equivalents	12	664,588	471,611
Total current assets		791,990	538,421
Total assets		855,687	613,885
Equity		/22 E77\	/22 5771
Reserves		(23,577)	(23,577)
Retained earnings		94,970	33,686
Total equity	13	71,393	10,109
Non-current liabilities		49,280	63,129
Lease liabilities	9	49,280	63,129
Current liabilities		735,015	540, <del>6</del> 47
Lease liabilities	9	13,849	13,441
Trade and other payables	14	721,165	527,206
Total liabilities		784,294	603,776
Total equity and liabilities		855,687	613,885

The notes 1 to 16 are an integral part of these financial statements.



### Statement of profit or loss for the year ended 31 December 2020

EUR	Notes	31 December 2020	31 December 2019
European Parliament Grant & Donations	4	1,860,114	1,762,107
Other	44	540	676
Other income		1,860,654	1,762,783
General and administrative expenses	5	(1,796,691)	(1,809,786)
Operating profit/(loss)		63,963	(47,003)
Finance income	6	826	1,112
Finance costs	6	(3,506)	(8,136)
Profit/(loss) for the year		61,284	(54,027)

As there is no "Other Comprehensive Income"; Total Comprehensive Income corresponds to Profit or loss for the year.

The notes 1 to 16 are an integral part of these financial statements.

### Statement of changes in equity for the year ended 31 December 2020

	2	Retained	Total equity	
EUR	Reserves	earnings		
Balance at 1 January 2019	(23,577)	87,712	64,135	
Profit/(loss) for the year		(54,027)	(54,027)	
Balance 31 December 2019	(23,577)	33,686	10,109	
Profit/(loss) for the year		61,284	61,284	
Balance 31 December 2020	(23,577)	94,970	71,393	

The notes 1 to 16 are an integral part of these financial statements.



# Statement of cash flows for the year ended 31 December 2020

EUR	Notes	31 December 2020	31 December 2019
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) for the year		61,284	(54,027)
Adjustments for:			
Depreciation of property, plant and equipment	8	14,325	14,254
European Parliament grant	4	(1,587,927)	(1,570,497)
Lease interests	9	2,113	2,510
Net profit/(loss) before changes in working capital		(1,510,205)	(1,607,760)
Changes in working capital:			
Decrease/(increase) in trade and other			
receivables		-60,592	5,498
Increase/(decrease) in trade and other payables			
(excluding European Parliament payable)	4	-35,358	(253,910)
Receipt European Parliament Grant	14	1,817,244	1,742,404
Net cash flows from operating activities		211,089	(113,768)
Reimbursement of deposits Payments for property, plant and equipment	8	(2,558)	
Net cash flows from investing activities		(2,558)	•
CASH FLOWS FROM FINANCING ACTIVITIES  Lease payments	9	(15,554)	(15,554)
Net cash flows from financing activities		(15,554)	(15,554)
Net cash flows from imariting activities		(10,004)	(15)55 4
Movement in cash and cash equivalents including		402.077	(420.222)
bank overdrafts		192,977	(129,322)
Net increase in cash and cash equivalents		192,977	(129,322)
Net increase in cash and cash equivalents			
Cash and cash equivalents at 1 January	12	471,611	600,933 471,611

The notes 1 to 16 are an integral part of these financial statements.



### Notes to the financial statements for the year ended 31 December 2020

### 1. General information

New Direction – Foundation for European Reform ASBL is a not for profit organization domiciled in Belgium. The registered office is located at Rue du Trône, 4 in the center of Brussels. The foundation is active in the fields of executing researches & studies to support the reform of the EU.

### Financial statements

The financial statements for the year ended 31 December 2020 were authorized for issue in accordance with a resolution of the Board of Directors on June 24, 2021.

### **Board of directors**

At the end of the financial period, the Board of Directors was composed of the following members:

Name	Function	Start of mandate	End of mandate
Tomasz Poreba	President	July 2014	April 2023
Karol Karski	Vice President	July 2017	April 2023
Raffaele Fitto	Vice President	July 2017	April 2023
Roberts Zile	Vice President	July 2017	April 2023
Amjud Bashir	Vice President	July 2017	June 2020
Jan Zahradil	Vice President	July 2017	October 2020
Daniel Hannan	Vice President	July 2017	June 2020
Angel Dzhambaski	Vice President	March 2019	December 2022
Ruza Tomasic	Vice President	July 2017	April 2023
Valdemar Tomasevski	Vice President	July 2017	April 2023
Maria Pinar	Vice President	October 2020	April 2023

#### **Auditors**

The statutory audit of the standalone financial statements is performed by Grant Thornton Réviseurs d'entreprises SRL, represented by Gunther Loits.

# Figures In the financial statements

These financial statements are presented in euro, which is the Foundation's presentation currency and the functional currency of the Foundation. All amounts in these financial statements are presented in euro, unless otherwise stated.

# 2. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, at the exception of the application of IFRS 16 Leases for the first time starting in 2019.

# 2.1. Basis of preparation

The financial statements of the Foundation for the year ended 31 December 2020 have been prepared in accordance with International Financial Reporting Standards ("IFRS") and IFRS Interpretations Committee (IFRIC) interpretations as adopted by the European Union. No new IFRS standards that had not yet entered into force in 2020 and did not apply any European exception to IFRS were adopted.

The historical cost convention has been used to prepare the financial statements. The accrual basis of accounting has been used to prepare the financial statements based on the assumption that the Foundation is a going concern and will continue operation in the foreseeable future.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Foundation's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.



### 2.2. Summary of significant accounting policies

#### a) Current versus non-current classification

The Foundation presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle,
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Foundation classifies all other liabilities as non-current.

#### b) Foreign currencies

### Functional and presentation currency

Items included in the financial statements of the Foundation are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in euro (EUR), which is the Foundation's presentation currency and the functional currency of the Foundation.

### Transactions and balances

Transactions in foreign currencies are initially recorded by the Foundation at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

### c) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and

Page 9 of 31



accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as finite. The Foundation does not have any intangible assets with an indefinite useful life.

Intangible assets with finite useful lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite useful lives is recognized in the income statement in the expense category that is consistent with the function of the intangible assets.

An intangible asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the income statement when the asset is derecognized.

#### Website costs

Research costs are expensed as incurred. Website development costs are only recognized as intangible asset if: 1/ it can be demonstrated that the website will generate probable future economic benefits when, for example, donations can be made through the website and 2/ the Foundation can demonstrate:

- ✓ The technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- ✓ Its intention to complete and its ability and intention to use or sell the asset;
- ✓ How the asset will generate future economic benefits;
- ✓ The availability of resources to complete the asset; and
- ✓ The ability to measure reliably the expenditure during development.

Directly attributable costs that are capitalized as part of the intangible asset include costs incurred for external consultants and an appropriate portion of relevant overheads.

1

Other development expenditures that do not meet these criteria are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization will begin when development is completed, and the asset is available for use. The costs are amortized using the straight-line method over their estimated useful lives (4 years). During the period of development, the asset is tested for impairment annually.

#### Computer software

Acquired computer software licenses are capitalized based on the costs incurred to acquire and bring the specific software to use. These costs are amortized using the straight-line method over their estimated useful lives 4 years).

#### Summary of the policies applied to the intangible assets

	Computer software	Website
Useful lives	Finite (4 years)	Finite (4 years)
Amortisation method used	Straight-line basis	Straight-line basis
	Acquired	Acquired

### d) Property, plant and equipment

The Foundation's property, plant and equipment are mainly composed of IT equipment, furniture and office equipment.

Property, plant and equipment are stated at historical cost less subsequent depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Foundation and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation on the assets is calculated using the straight-line method to allocate their cost over their estimated useful lives. These useful lives have been determined as follows:

Property, plant and equipment	Useful lives	
IT equipment	4 years	
Office equipment and furniture	4 years	

The methods of depreciation of property, plant and equipment are reviewed at each financial yearend and adjusted prospectively, if appropriate. Where an asset's carrying amount is greater than its estimated recoverable amount, it is written down to its recoverable amount.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

#### e) Leases

The foundation assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The foundation leases office workspace. The foundation applied a single recognition and measurement approach for all leases for which it is the lessee. The foundation recognized lease liabilities and right-of-use assets representing the right to use the underlying assets. In accordance with IFRS 16, the simplified modified retrospective method has been applied for the transition to IFRS 16 at the date of initial application of 1 January 2019.

### Lease liabilities

At the commencement date of the lease, the foundation recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. The lease payments also include the exercise price of a purchase option if reasonably certain to be exercised by the foundation and payments of penalties for terminating a lease, if the lease term reflects the foundation exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the foundation uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily



determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The foundation selected the accounting policy to present interest paid on lease liabilities as part of the cash flows for operating activities.

### Right-of-use assets

The foundation recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of initial measurement of the lease liability, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Right-of-use assets are reported among Property, Plant and equipment in the statement of financial position with further details provided in the notes.

If ownership of the leased asset transfers to the Foundation at the end of the lease term, or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful live of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section re 'Impairment of non-financial assets'.

#### Short-term leases and leases of low-value assets

The foundation applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

The information about leases is included in the following notes:

Depreciation charges on right-of-use assets	Note 8 Property, plant and equipment
Interest expense on lease liabilities	Note 6 Finance income and costs
Right of use assets movement	Note 8 Property, plant and equipment

Page 13 of 31



Lease liabilities movement

Note 9 Financial assets and financial liabilities

### f) European Parliament Grant

The Foundation receives a grant from the European Parliament, which is awarded at the end of each accounting year. At that moment there is a reasonable assurance that the grant will be received and all attached conditions (execution of the work plan) will be complied with. Since the grant relates to expense items, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

The Foundation makes an assessment at the end of the accounting year of the amount of eligible expenditure it has incurred. The portion of the grant that will cover this expenditure is recorded as income in the income statement. Two scenarios can occur:

- Scenario 1 in which the amount of eligible expenditure matches the grant amount or exceeds the grant amount. In this scenario, the entire grant is recorded as income in the income statement,
- Scenario 2 in which the amount of eligible expenditure is less than the grant amount. In this
  scenario, the portion of the grant that is not used can be carried over to the next year. The
  amount of the carry-over will be accounted for as a financial liability in the balance sheet
  and will be released the next accounting year once the expenditure it is intended to cover
  has been incurred.

At the end of the reporting period, the final balance is determined after the external audit. The expenditure that is rejected through this audit will lead to a reduction of the final grant and can result in a reimbursement of a portion of the grant by the Foundation to the European Parliament. After payment of the final balance, the European Parliament can as well perform an audit even up till 5 years after the payment. This audit can also lead to a reduction of the grant amount and a reimbursement. If the Foundation has to make a reimbursement to the European Parliament, the Foundation needs to account for a financial liability.

### g) Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Foundation's cash management.



# h) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### Financial assets

#### Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The Foundation's financial assets are composed of trade and other receivables and cash and cash equivalents. These financial assets have been classified as subsequently measured at amortized cost, except for cash and cash equivalents.

The trade receivables do not contain a significant financing component and have been initially measured at the transaction price determined under IFRS 15. The cash and cash equivalents have been initially measured at fair value plus transaction costs.

#### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortised cost (debt instruments),
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments), or with no recycling of cumulative gains and losses upon derecognition (equity instruments),
- Financial assets at fair value through profit or loss.

The Foundation's financial assets are classified as financial assets at amortised cost (debt instruments) since both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The financial assets are derecognized when the rights to receive cash flows from the asset have expired.

74

In terms of impairment of the trade receivables, the Foundation applies a simplified approach in calculating Expected Credit Losses (ECL). The Foundation does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. A provision matrix that is based on historical credit loss experience has been established, which is adjusted for forward-looking factors specific to the debtors and the economic environment.

All financial assets are fully written off after two years when there is no reasonable expectation of recovering the contractual cash flows. However, in certain cases, the Foundation may also consider a financial asset to be in default when internal or external information indicates that the Foundation is unlikely to receive the outstanding contractual amounts in full.

### Financial liabilities

# Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Foundation's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts.

# Subsequent measurement

The measurement of financial liabilities depends on their classification. The Foundation's financial liabilities are all classified in the category loans and borrowings, or the category payables.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

The financial liabilities are derecognized when the obligation under the liability is discharged or cancelled or expires.

# Offsetting financial instruments:

Financial assets and liabilities are offset, and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to

Page **16** of **31** 



settle on a net basis or realize the asset and settle the liability simultaneously. The Foundation does not offset its financial assets and liabilities.

### i) Impairment of non-financial assets

The Foundation assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Foundation estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

There were no indications that assets may be impaired during the accounting period. Moreover, the Foundation does not have intangible assets that are not ready to use or are not subject to amortization. As a result, there is no requirement to perform a yearly impairment test.

#### j) Revenue from contracts with customers

IFRS 15 establishes a five-step model for recognizing revenue from contracts with customers. Under IFRS 15, revenue is recognized for consideration an entity expects to be entitled to in exchange for goods or services transferred to a customer.

The foundation does not have any revenue from contracts with customers. Income of the foundation consists of the European Parliament Grant (see here-above under paragraph f) and of received donations.

# 2.3. Standards issued, endorsed and applied

All standards applicable on the 31st of December 2020 are applied by the Foundation. At the exception of the first-time application of the IFRS 16 — Leases (see 2.4 hereafter), the Foundation consistently used the same accounting policies throughout all periods presented in its IFRS financial statements.



# 2.4. First-time application of IFRS 16 - Leases

The foundation applied IFRS 16 Leases for the first time in 2019.

The foundation adopted IFRS 16 using the modified retrospective method with the date of initial application of 1 January 2019.

Under this method, for leases previously classified as operating leases by applying IAS 17; the foundation:

- Recognised a lease liability as at January 1, 2019. The foundation measured the lease liability at the present value of the remaining lease payments, discounted using the foundation's incremental borrowing rate at the date of initial application (it has been determined that the incremental borrowing rate of the foundation is 3%);
- Recognised a right-of-use asset equal to the lease liability.

The foundation also elected to use the exemptions on lease contracts for which the lease terms ends within 12 months as of the date of initial application, and lease contracts for which the underlying asset is of low value.

Considering the above; a right-of-use asset and a lease liability has been recognized as at January 1, 2019. The foundation leases office workspace.

The effect of adoption IFRS 16 as at 1 January 2019 is an increase of total assets and of total liabilities by 89,614 EUR.

The lease liabilities as at 1 January 2019 can be reconciled to the operating lease commitments as of 31 December 2018 as follows:

Items	EUR
Operating lease commitments as at 31 December 2018	91,950
Other adjustment	6,558
Discounting effect as at 1 January 2019	(8,894)
Discounted lease liability as at 1 January 2019	89,614



# 2.5. Application of new and revised standards and interpretations

The following new Standards, Interpretations and Amendments issued by the IASB and the IFRIC as adopted by the European Union are effective for the financial period:

- Amendments to IFRS 9, IAS 39 and IFRS 7 Interest Rate Benchmark Reform Phase 1 (September 2019)
- IAS 1 Presentation of Financial Statements Amendments regarding the definition of material (October 2018)
- IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors Amendments regarding the definition of material (October 2018)
- Amendments to References to the Conceptual Framework in IFRS Standards (March 2018)

The adoption of these new standards and amendments has not led to major changes in the Group's accounting policies.

The following standards and interpretations are published, issued but are not yet effective and have not been applied to the IFRS financial statements of the Company. The Company will assess full impact of these standards in due course:

Texts endorsed by EFRAG:

Not applicable

Texts not yet endorsed by EFRAG:

- Annual improvements to IFRSs 2018-2020 Cycle (May 2020)
- IAS 1 Presentation of Financial Statements Amendments regarding the classification of liabilities (January 2020) and Amendment to defer the effective date of the January 2020 amendments (July 2020)
- IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform Phase 2 (August 2020)

It is not expected that the application of the above mentioned IFRS standards, interpretations and amendments will have a significant impact on the future financial statements.



# 3. Critical accounting estimates and judgments

The preparation of the Foundation's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the Foundation disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of asset or liability affected in future periods.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Foundation based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Foundation. Such changes are reflected in the assumptions when they occur.

# Recover order European Parliament Grant

The external auditor and/or auditor of the European Parliament can reject expenditure of the Foundation if not eligible. This can result in a recovery order being issued to the Foundation and hence a reimbursement of a portion of the grant. If this is the case, the Foundation sets up a financial liability at year end.

### Impairment of non-financial assets

The Foundation assesses, at each reporting date, whether there is an indication that an asset may be impaired. No such indicators were identified during the accounting period and as a result no impairment test was needed.

# Determining the lease term of contracts with renewal options

The Foundation determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. For extension options, the Foundation applies judgement in evaluating whether it is

reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal.

After the commencement date, the Foundation reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

# 4. Other income

The line item "Other income" in the income statement relates to:

EUR	31 December 2020	31 December 2019	
Other income			
European Parliament Grant	1,587,927	1,570,497	
Donations:			
- Above EUR 500	270,174	182,460	
- Below EUR 500	2,013	9,150	
Other	540	676	
Total other income	1,860,654	1,762,783	

The European Parliament Grant awarded for 2020 amounts to € 1,678,350 out of which an amount of € 237,507 has been carried over to 2021. € 90,423 of costs made by the Foundation in previous years have been considered as non-eligible by the EU and accordingly the European Parliament Grant accounted for as 'Other income' has been adjusted.



# 5. Expenses by nature

A breakdown of the "General and administrative expenses" by nature can be found in the table below:

EUR	31 December 2020	31 December 2019
Employee benefits – See note 7	519,598	528,069
Advertising and promotional costs	484	156,619
Travels, meetings and representation costs	66,413	229,678
Event costs	66,080	143,405
Office costs	117,386	141,510
Documentation costs	O	91,973
Researches & studies costs	759,308	496,438
Depreciation	14,325	14,254
Carry-over	237,507	
Other	15,590	7,840
Total	1,796,691	1,809,786

# 6. Finance income and costs

EUR	31 December 2020	31 December 2019
Finance income		
Other finance income	826	1,112
Total finance income	826	1,112
Finance costs		
Lease interests	2,113	2,510
Losses on exchange differences	522	3,516
Other finance costs	· 870	2,110
Total finance costs	3,506	8,136

# 7. Employee benefit expense

EUR	Included in General and administrative expenses 2020	Included in General and administrative expenses 2019
Wages and salaries	398,727	423,634
Social security costs	103,296	98,500
Other employee benefits	17,575	5,935
Total employee benefit expense	519,598	528,069

	31 December 2020	31 December 2019
Average number of employees - head office	1,0	1,0
Total average number of employees	1,0	1,0

# 8. Property, plant and equipment

EUR	Office & IT Equipment and Furniture	Right to use an Asset	TOTAL
Period ended 31 December 2019			
First-time application of IFRS 16	-	89,614	89,614
Opening net book amount at 1 January 2019	104	89,614	89,718
Depreciation charge	(104)	(14,150)	(14,254)
Closing net book amount at 31 December 2019	-	75,464	75,464
At 31 December 2019			
Cost or valuation	23,197	89,614	112,811
Accumulated depreciation, impairment and other adjustments	(23,197)	(14,150)	(37,347)
Closing net book amount at 31 December 2019	-	75,464	75,464
Period ended 31 December 2020			
Opening net book amount at 1 January 2020	-	75,464	75,464
Acquisition of the period	2,558	-	2,558
Depreciation charge	(175)	(14,150)	(14,325)
Closing net book amount at 31 December 2020	2,382	61,315	63,697
At 31 December 2020			
Cost or valuation	7,318	89,614	96,932
Accumulated depreciation, impairment and other adjustments	(4,936)	(28,299)	(33,235)
Closing net book amount at 31 December 2020	2,382	61,315	63,697



# 9. Financial assets and financial liabilities

### a) Financial assets

Financial assets	31 December 2020	31 December 2019
, mander describ	EUR	EUR
At amortised cost		
Trade & other receivables	127,402	66,810
Total financial assets	127,402	66,810
Current	127,402	66,810

# b) Financial liabilities

Financial liabilities	31 December 2020	31 December 2019
	EUR	EUR
At amortised cost		
Lease liabilities	63,129	76,570
Trade & other payables	721,165	527,206
Total financial liabilities	784,294	603,776
Non-current	49,280	63,129
Current	735,015	540,647

The following table provides an overview of the movement of the lease liability over 2020:

Opening 1 January 2020	76,570
Payment made during the year	(15,554)
Interest charge	2,113
Closing 31 December 2020:	63,129
-Current	13,849
-Non current	49,280

# c) Fair Values

The Foundation has mainly short term financial assets and financial liabilities for which the carrying amount is a reasonable approximation of the fair value. Moreover the carrying amount of leasing liabilities is also a reasonable approximation of the fair value.



## 10. Financial risk management

#### a) Financial risk factors

The Foundation's financial liabilities comprise lease liabilities and trade and other payables. The Foundation's financial assets include trade receivables, and cash and short-term deposits that derive directly from its operations. The Foundation is exposed primarily to liquidity risk. The Foundation's managers oversee the management of this risk.

As a matter of fact, the exposure to market risk is insignificant as the Foundation's main expenses & revenue are in € and as the Foundation has no borrowing.

Credit risk is also negligible as the main source of income is derived from a grant from the EU parliament.

### Liquidity risk

The Foundation monitors its risk of a shortage of funds using a liquidity planning tool. All trade and other receivables and trade and other payables will mature within one year. Lease liabilities (€ 63,129) will mature partly within one year (€ 13,849) and the remaining part (€ 49,280) will mature between 1 to 5 years. The following table provides an overview of the net position of Trade & Other Receivables, Trade & Other Payables and Current-Lease liabilities together with the cash position of the Foundation.

EUR	31 December 2020	31 December 2019
Trade & Other Receivables	127,402	66,810
Less: Trade & Other payables	(721,165)	(527,206)
Less: Current Lease liabilities	(13,849)	(13,441)
Net position	(607,612)	(473,837)
Cash available	664,588	471,611
Surplus / (Shortfall)	56,976	(2,226)



### b) Capital management

The Foundation's objectives when managing capital are to safeguard the Foundation's ability to continue as a going concern:

EUR	31 December 2020	31 December 2019
Cash and cash equivalents	664,588	471,611
Less: total borrowings	<u>-</u>	
Net cash	664,588	471,611

# 11. Trade and other receivables

EUR	31 December 2020	31 December 2019
Trade receivables	26,197	37,120
Less: allowance for ECL	<u>.</u>	-
Trade receivables - net	26,197	37,120
European Parliament grant receivable	-	-
Prepaid expenses	101,206	29,690
Total	127,402	66,810

There is no bad debt allowance accounted for in the statement of Financial Position of the Foundation.

The carrying amounts of the Foundation's trade and other receivables are denominated in €.

All trade and other receivables are current. Accordingly, no ageing of trade and other receivables is disclosed.



# 12. Cash and cash equivalents

EUR	31 December 2020	31 December 2019
Cash at banks and on hand	664,588	471,611
Total cash and cash equivalents (excluding bank overdrafts)	664,588	471,611

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Foundation, and earn interest at the respective short-term deposit rates.

Cash and cash equivalents include the following for the purposes of the statement of cash flows:

EUR	31 December 2020	31 December 2019
Cash and cash equivalents	664,588	471,611
Cash and cash equivalents (including bank overdrafts)	664,588	471,611

# 13. Equity

EUR	Total Equity
At 1 January 2019	64,135
Loss of,the year	(54,027)
At 31 December 2019	10,109
Profit of the year	61,284
At 31 December 2020	71,393

# 14. Trade and other payables

EUR	31 December 2020	31 December 2019
Trade payables	47,285	54,597
European Parliament Grant	402,057	329,951
Remuneration & social accruals	12,761	65 <b>,291</b>
Accrued expenses and deferred income	241,043	4,457
Other liabilities	18,018	72,910
Trade and other payables	721,165	527,206

The trade and other payables of the Foundation are current financial liabilities and are non-interest bearing and are normally settled on 30 to 60-day terms. The other liabilities are composed of VAT payables.

The movement of the European Parliament Grant of the period is further detailed in the table below:

Opening 1 January 2019	158,044
Carry over to 2020	15,529
Priori years non-eligible costs	156,378
Closing 31 December 2019	329,951
Opening 1 January 2020	329,951
Repayment done in 2020	-157,212
Grant 2020 overfunding to be reimbursed	138,894
Prior years non-eligible costs	90,423
Closing 31 December 2020	402,057

The European Parliament Grant liability as at December 31, 2020 thus consists of:

- An amount of € 263,163 relating to the net position of prior years' carry -over and noneligible costs which will have to be reimbursed in the future (timing to be agreed);
- An amount of € 138,894 corresponding to the overfunding received in 2020 from the European Parliament compared to the final grant calculation for that period.



# 15. Commitments and contingencies

#### Contingent liabilities

There is no contingent liability to be disclosed.

# 16. Events after the reporting date

#### 1. European Parliament grant award for 2021

On January 27, 2021, the Foundation has been notified by the European Parliament that it was awarded a grant of maximum EUR 2.071.516 for the financial year 2021, which shall not exceed 95% of the total estimated eligible costs.

#### 2. COVID-19 Crisis

During the first half of 2020, the coronavirus outbreak has had huge impacts on the EU economy. In response to the pandemic worldwide spread, many governments in affected jurisdictions imposed travel bans, quarantines and other emergency public safety measures. For example, governments have imposed restrictions on travel and the movement and gathering of people. As a non-adjusting event, the outbreak of the coronavirus does not require any adjustments to the figures reported in these annual accounts.

For subsequent reporting periods, COVID-19 may affect the recognition and measurement of some assets and liabilities on the balance sheet and also of some revenue and expenses recognised in the statement of financial performance. For example, some planned events and meetings were cancelled, and revenues from external sources has decreased. The impact of these, among others effects, on the financial performance may be significant for the reporting year 2020. Based on the information available at the date of signature of these annual accounts, the financial effects of the coronavirus outbreak cannot be reliably estimated. The situation gives rise to uncertainty on the ability of the entity to continue as a going concern. The Board is evaluating the possible measures to combat the outbreak of activities and to sustain our going concern.

NEW PREFOUNDMENT FOR EUROPEAN PREFORM

Page 31 of 31

Brussels 18/11/2021 Porch









Founded by Margaret Thatcher in 2009 as the intellectual hub of European Conservativism, New Direction has established academic networks across Europe and research partnerships throughout the world.







**New Direction** is registered in Belgium as a not-for-profit organisation and is partly funded by the European Parliament. REGISTERED OFFICE: Rue du Trône, 4, 1000 Brussels, Belgium. EXECUTIVE DIRECTOR: Witold de Chevilly. The European Parliament and New Direction assume no responsibility for the opinions expressed in this publication. Sole liability rests with the author.

# MESSAGE FROM THE PRESIDENT



I am honoured to serve as President of New Direction, the political foundation leading the debate on European reform.

2020 marks a decade of ground-breaking research, in which the Foundation has shaped not only the political discussion in Europe but also the direction of the conservative movement around the world. We have produced more than two hundred reports and policy briefs, and hosted over a hundred conferences and seminars - and we have been honoured to have politicians, government ministers, advisers, academics, business leaders and journalists: participate and contribute.

In the coming years we will continue to offer further ideas for European reform and promote our message of change rooted in individual freedom and liberty for all Europeans. We will continue to champion the goals of the wider Conservative family and protect the values set out in the Prague and Reykjavik Declaration.

I would like to also pay tribute to New Direction's Board:

Rafaele Fitto (Italy), Karol Karski (Poland),

Ruža Tomašić (Croatia), Valdemar Tomaševski (Lithuania),

Aguilar Mazaly (Spain), Roberts Zile (Latvia) and

Angel Dzhambazki (Bulgaria), and of course, none of our

work would be possible without our effective management
and secretariat.

On behalf of all the New Direction team, thank you for your support and contributions. Our foundation is building the intellectual case for a popular Conservative movement, and we hope you will join us in our ambitious goal.

Yours truly,

Tomasz Poręba MEP

Poland
President

# **EXECUTIVE BOARD**





Karol Karski MEP

Poland

Vice President



Roberts Zīle MEP

Latvia

Vice President



Aguilar Mazaly

Spain

Vice President



Ruža Tomašić MEP

<u>Croatia</u>

Vice President



Valdemar Tomaševski MEP Lithuania

Vice President



Angel
Dzhambazki MEP
Bulgaria
Vice President

# SENIOR ADVISORS & MANAGEMENT



Tony Abbott MP
Former Prime Minister of Australia



Jorge Quiroga
Former President of Bolivia



Witold de Chevilly

Belgium / Poland

Executive Director

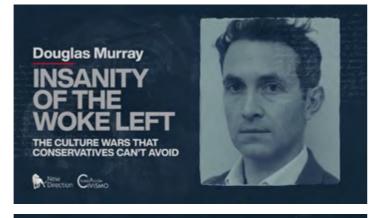


Together with our partner, Fundación Civismo, we launched (Re)Discovering Conservatism, webcast series that will seek to revisit conservative approaches to the most pressing policy and political issues of our time, in Europe and beyond.



newdirection.online/ rediscovering-conservatism















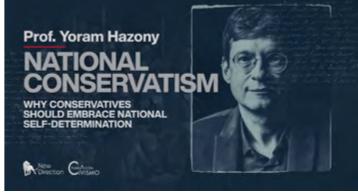










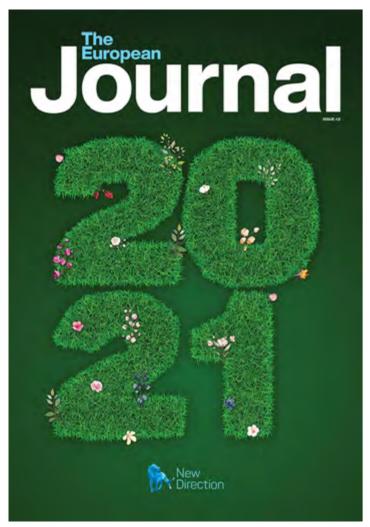












New Direction's opinion journal that gathers the thoughts of world-renowned experts, on the crucial issues facing Europe today.

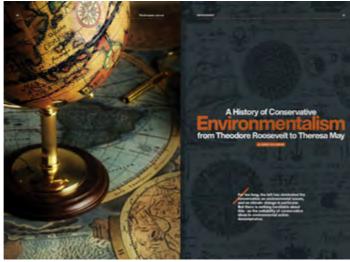
> newdirection.online/ the-european-journal

We have published the second issue of our flagship magazine, devoted to providing Conservative answers to some of the greatest challenges we face. Policy makers around the world will focus on "Building Back Better" and it is a crucial time to be involved in this debate and to shape the nature of the recovery. Kickstarting our battered economies and

creating jobs after months of rolling lockdowns and social distancing, and with Cop26 taking place later this year, we believe, recovery can be married with the need to invest in clean technologies and natural assets. Conservatives in particular, with our belief in intergenerational equity and our preference for market-based solutions, will have a critical role to play.











That's why, we invited James
Cullimore and Lois Toole to write
about the history of Conservative
environmentalism. The challenge
is too important to leave to the Left
and is now time for Conservatives
to reclaim their heritage as the
original conservationists. We owe
it to the next next generation to
step up.

In this edition, we have invited the most influential conservative experts and reseachers such as Ted-Christie Miller who discusses how to put nature at the heart of the recovery from Covid 19, whilst, Dr Ben Cladecott writes about how private finance can deliver net zero. and Rachel Wolf writes about the pro-market case for carbon pricing Royal United Services Institute's Michael Stephen's pens an article about why climate change is the greatest security challenge of our time, and the Managing Director of Iceland about how fragile our agricultural sector is. Alex Flint writes about why US Republicans are waking up the threat of climate change and Leo Shanahan writes about realising Australia's renewable energy potential.

It's not all about politics in the European Journal. We have an essay on the artistic movements that died with the spanish flu, and a travel guide to Odessa, Cilento and Delft. Professor Pogorel discusses, the new global audio-visual landscape, Dr Jo Twist writes about what video gaming and e-sports, while Lord Ashcroft discusses how we can put a stop to the barbaric lion trade. We also have further exciting coverage of art, music, technology, media, economics, sport, travel and lifestyle.





















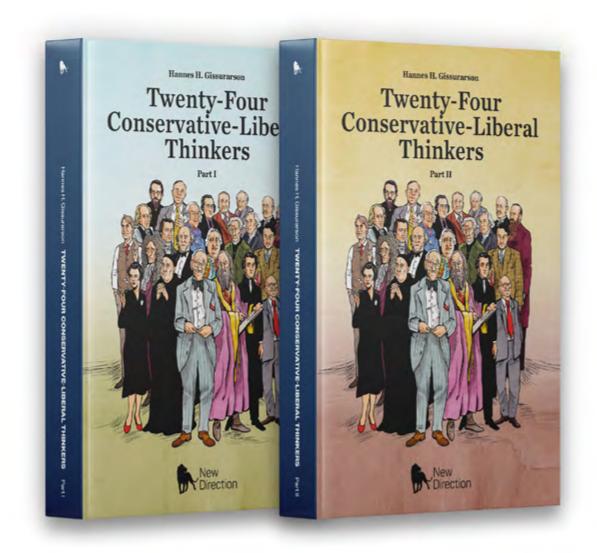




# BOOKS

newdirection.online/ publications/books

This year, as part of our project on (Re)Discovering Conservatism, we started publishing classic books from conservative thinkers with the aim to look for inspiration in the heritage of conservative thought.







# **REPORTS**

As each year, New Direction publishes more than 30 reports in English, Spanish, Polish, Italian and Czech covering all issues from economics to energy and social policy.

# newdirection.online/ publications/reports







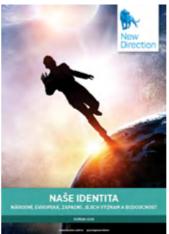


































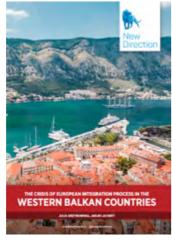


























































# **INITIATIVES**

New Direction promotes its ideas with a number of unique initiatives. We have done this by launching the following:



# THE EUROPEAN JOURNAL

New Direction's opinion journal that is devoted to fresh thinking on the big subjects, by some of the finest writers at work today.



# (RE)DISCOVERING CONSERVATISM

Webcast series that will seek to revisit conservative approaches to the most pressing policy and political issues of our time, in Europe and beyond.



# LA CONVENCIÓN AZUL

Pre-eminent free market forum brings together the foremost free market advocates and thought-leaders from business, government, academia and the not-for-profit sector in order to shape the debate on global growth.

# **ACADEMIES & UNIVERSITIES**

New Direction is investing in Europe's next generation by training young academics in strategic leadership, research techniques and effective communications.









# WESTERN BALKANS SUMMIT

New Direction hosts annually its Western Balkans Summit bringing together politicians and experts from countries across the EU and the Western Balkans to discuss the progress made in recent years, current situation and challenges, as well as future priorities of the EU in the Western Balkans.



# THE ANNUAL MARGARET THATCHER DINNER

New Direction's annual dinner is held in the honour and memory of our founding patron, Baroness Thatcher.



# THINK TANK CENTRAL

New Direction gathers bi-annually leading conservative and libertarian think-tanks.

# SUPPORT OUR WORK

New Direction is registered in Belgium as a not-for-profit organisation and is partly funded by the European Parliament.

As the leading authority on European Reform, our supporters know that their contribution is helping to shape the global conversation on the issues that matter.

If you would like to donate or support our fundraising efforts please get in touch by emailing **contact@newdirection.online**, or fill in the form opposite.

# STAY INFORMED







newdirection.online

@europeanreform

@europeanreform

Subscribe to our mailing list on **newdirection.online** to receive latest news, research and events information.

# **SPONSORSHIP**

I WOULD LIKE TO DONATE NAME TITLE **OUR DETAILS ADDRESS ACCOUNT HOLDER NAME:** New Direction Foundation BANK NAME: KBC Bank Brussel-Schuman **ACCOUNT HOLDER ADDRESS:** Rue du Trône 4, 1000 Bruxelles, Belgium POST CODE **BANK ADDRESS:** Robert Schumanplein 4, 1040 Brussels **IBAN: BEO4 7310 2605 9831 EMAIL SWIFT/BIC CODE:** KREDBEBB **TELEPHONE** SIGNATURE

New Direction - The Foundation for European Reform is required to do the following:

- I. Publish its revenue, expenditure and a statement of its assets and liabilities annually;
- II. Declare its sources of funding by providing a list specifying the donors and the donations received from each donor exceeding EUR 3000;
- Ill. Refuse anonymous donations or contributions; donations exceeding EUR 18,000 per year and per donor; donations from the budgets of political groups in the European Parliament; donations from any public authority from a Member State or a third country, or from any undertaking over which such a public authority may exercise, directly or indirectly, a dominant influence by virtue of its ownership of it, its financial participation therein, or the rules which govern it; or donations from any private entities based in a third country or from individuals from a third country who are not entitled to vote in elections to the European Parliament.

#### **NEW DIRECTION**

Rue du Trône 4, 1000 Bruxelles, Belgium e: contact@newdirection.online w: newdirection.online







