

ITEM 6/1: 2012 FINANCIAL STATEMENTS

FOR ENDORSEMENT

Members are invited

- i) to receive an audited statement of EDEN's accounts for 2012, prepared by EDEN's auditors, GP Financial Management Limited
- ii) to endorse the appointment of the auditors, GP Financial Management Limited, for another year

Dr. András Szűcs  
Secretary General, EDEN

**COMPANY REGISTRATION NUMBER 02715308**

**EUROPEAN DISTANCE AND E-LEARNING NETWORK  
COMPANY LIMITED BY GUARANTEE  
FINANCIAL STATEMENTS  
31 DECEMBER 2012**

# EUROPEAN DISTANCE AND E-LEARNING NETWORK COMPANY LIMITED BY GUARANTEE

## FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2012

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# EUROPEAN DISTANCE AND E-LEARNING NETWORK COMPANY LIMITED BY GUARANTEE

## THE REPORT OF THE EXECUTIVE COMMITTEE

YEAR ENDED 31 DECEMBER 2012

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The Executive Committee have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2012.

### PRINCIPAL ACTIVITIES

The principal aim of the company is to foster developments in open, distance, flexible and e-learning providing a platform at all the regions and nations of Europe for co-operation and collaboration between institutions, networks and other agencies in this field.

In the past years significant attention was paid by the Executive Committee to safeguarding the reliable financial operation of the Association, together with continuity and development of professional activities. A certain re-arrangement of priorities in order to generate new incomes was necessary. An EC member has been assigned to advise the Secretariat about the business development. The Board notes with approval that the efforts resulted sustained liquidity and improvement of the financial indicators. The EC requests to maintain the efforts and believes that the ongoing processes will result further development and sustainable resource management.

### DIRECTORS

The directors who served the company during the year were as follows:

Morten F. Paulsen	President of EDEN
Antonio M. Teixeira	Nordic online Academy – NooA, Norway Joint Vice-President of EDEN
Alan Bruce	Universidade Aberta, Lisbon, Portugal Joint Vice-President of EDEN
Deborah Arnold	Universal Learning Systems, Ireland
Lisa Marie Blaschke	University of Burgundy, France Carl von Ossietzky University of Oldenburg, Germany
Grainne Conole	University of Leicester, United Kingdom
Ene Koitla	Estonian Information Technology Foundation, Estonia
Fabio Nascimbeni	MENON Network, Belgium
Gilly Salmon	Australian Digital Futures Institute, Australia Resigned on 29 January 2012
Costas Tsolakidis	University of the Aegean, Greece
Wim Van Petegem	AVNet at K.U. Leuven, Belgium
Airina Volungeviciene	Vytautas Magnus University, Lithuania
<b>NAP STEERING COMMITTEE CHAIR (Ex-Officio Member of the Executive Committee)</b>	
Ari-Matti Auvinen	Chair of the Network of Academics and Professionals Steering Committee, HCI Productions Oy, Finland

# EUROPEAN DISTANCE AND E-LEARNING NETWORK COMPANY LIMITED BY GUARANTEE

THE REPORT OF THE EXECUTIVE COMMITTEE *(continued)*

YEAR ENDED 31 DECEMBER 2012

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## RESPONSIBILITIES OF THE EXECUTIVE COMMITTEE

The Executive Committee are responsible for preparing the Executive committees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Executive Committee to prepare financial statements for each financial year. Under that law the Executive Committee have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Executive Committee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the Executive Committee are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Executive Committee are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Executive Committee are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the Executive Committee have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

## SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Registered office:  
8/9 The Old Yard  
Lodge Farm Business Centre  
Wolverton Road  
Castlethorpe  
Milton Keynes  
MK19 7ES

Signed by order of the  
Executive Committee

ANDRAS SZUCS  
Company Secretary

Approved by the Executive Committee on .....

# **EUROPEAN DISTANCE AND E-LEARNING NETWORK COMPANY LIMITED BY GUARANTEE**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EUROPEAN DISTANCE AND E- LEARNING NETWORK**

**YEAR ENDED 31 DECEMBER 2012**

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We have audited the financial statements of European Distance and E-Learning Network for the year ended 31 December 2012. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **RESPECTIVE RESPONSIBILITIES OF EXECUTIVE COMMITTEE AND AUDITOR**

As explained more fully in the Executive committees' Responsibilities Statement set out on pages 1 to 2, the Executive Committee are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Executive committees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# EUROPEAN DISTANCE AND E-LEARNING NETWORK COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EUROPEAN DISTANCE AND E-  
LEARNING NETWORK *(continued)*

YEAR ENDED 31 DECEMBER 2012

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## MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Executive Committees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Executive Committee were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the executive committees' report.

8/9 The Old Yard  
Lodge Farm Business Centre  
Wolverton Road  
Castlethorpe  
Milton Keynes  
MK19 7ES

.....

THERESA-ANNE WARREN FCA  
(Senior Statutory Auditor)  
For and on behalf of  
GP FINANCIAL MANAGEMENT LTD  
Chartered Accountants  
& Statutory Auditor

# EUROPEAN DISTANCE AND E-LEARNING NETWORK COMPANY LIMITED BY GUARANTEE

## INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 DECEMBER 2012

	Note	2012 €	2011 €
<b>TURNOVER</b>	<b>1</b>	<b>442,744</b>	385,327
Cost of sales		<u>160,021</u>	<u>153,171</u>
<b>GROSS SURPLUS</b>		<b>282,723</b>	232,156
Administrative expenses		<u>278,409</u>	<u>282,613</u>
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>2</b>	<b>4,314</b>	(50,457)
Interest receivable		<u>72</u>	<u>84</u>
<b>SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>4,386</b>	(50,373)
Tax on surplus/(deficit) on ordinary activities	<b>3</b>	<u>18</u>	<u>20</u>
<b>SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR</b>		<b>4,368</b>	(50,393)
Balance brought forward		<u>158,900</u>	<u>209,293</u>
Balance carried forward		<u><u>163,268</u></u>	<u><u>158,900</u></u>

The accounting policies and notes on pages 7 to 9 form part of these financial statements.



# EUROPEAN DISTANCE AND E-LEARNING NETWORK COMPANY LIMITED BY GUARANTEE

## BALANCE SHEET

31 DECEMBER 2012

	Note	2012 €	€	2011 €
<b>FIXED ASSETS</b>				
Tangible assets	4		<u>3,958</u>	<u>3,583</u>
<b>CURRENT ASSETS</b>				
Debtors	5	68,515		59,624
Cash at bank and in hand		<u>106,966</u>		<u>117,192</u>
		175,481		176,816
<b>CREDITORS: Amounts falling due within one year</b>	6	<u>16,171</u>		<u>21,499</u>
<b>NET CURRENT ASSETS</b>			<b>159,310</b>	155,317
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u><b>163,268</b></u>	<u>158,900</u>
<b>RESERVES</b>	8			
Income and expenditure account			<u>163,268</u>	<u>158,900</u>
<b>MEMBERS' FUNDS</b>			<u><b>163,268</b></u>	<u>158,900</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved by the Executive Committee and authorised for issue on ....., and are signed on their behalf by:

.....  
M PAULSEN

Company Registration Number: 02715308

The accounting policies and notes on pages 7 to 9 form part of these financial statements.

# EUROPEAN DISTANCE AND E-LEARNING NETWORK COMPANY LIMITED BY GUARANTEE

## ACCOUNTING POLICIES

YEAR ENDED 31 DECEMBER 2012

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### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

### **Turnover**

Income comprises members' subscriptions, delegates' fees in respect of conference and workshop events, grants and other non-subscription income.

The member subscription period coincides with the company's financial year. Subscription income is consequently recognised in full in the period to which it relates.

Conference and workshop income is accounted for in the period that the relevant event takes place.

Grant income received for specific projects is recognised in the income and expenditure account upon satisfaction of the conditions for its receipt, such that it is matched with the related expenditure to which the funding is intended to contribute.

### **Fixed assets**

All fixed assets are initially recorded at cost.

### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Office Equipment                      -    over 4 years, straight line

### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating surplus.

# EUROPEAN DISTANCE AND E-LEARNING NETWORK COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2012

### 1. TURNOVER

A geographical analysis of turnover is as follows:

	Membership Subscriptions	Conference Fees	Projects	Other	Total
	€	€	€	€	€
United Kingdom	6,750	10,708	-	800	<b>18,258</b>
Other European Union	57,813	94,093	195,751	6,630	<b>354,287</b>
Rest of Europe	17,589	23,041	-	-	<b>40,630</b>
Rest of the World	3,959	21,754	-	3,856	<b>29,569</b>
	<u>86,111</u>	<u>149,596</u>	<u>195,751</u>	<u>11,286</u>	<u><b>442,744</b></u>

### 2. OPERATING SURPLUS

Operating surplus is stated after charging:

	2012	2011
	€	€
Executive committees' remuneration	-	-
Depreciation of owned fixed assets	<b>1,472</b>	1,648
Auditor's fees	<b>3,000</b>	3,000
Net loss on foreign currency translation	<b>3,380</b>	5,173
	<u><b>3,380</b></u>	<u>5,173</u>

### 3. TAXATION ON ORDINARY ACTIVITIES

Analysis of charge in the year

	2012	2011
	€	€
Current tax:		
Over/under provision in prior year	<b>18</b>	20
Total current tax	<u><b>18</b></u>	<u>20</u>

The Association is not required to pay Corporation Tax on its trading activities as H M Revenue & Customs have accepted the mutual and beneficial position of the company.

# EUROPEAN DISTANCE AND E-LEARNING NETWORK COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2012

### 4. TANGIBLE FIXED ASSETS

	Equipment €
<b>COST</b>	
At 1 January 2012	19,779
Additions	<u>1,847</u>
<b>At 31 December 2012</b>	<u><b>21,626</b></u>
<b>DEPRECIATION</b>	
At 1 January 2012	16,196
Charge for the year	<u>1,472</u>
<b>At 31 December 2012</b>	<u><b>17,668</b></u>
<b>NET BOOK VALUE</b>	
<b>At 31 December 2012</b>	<u><b>3,958</b></u>
At 31 December 2011	<u>3,583</u>

### 5. DEBTORS

	2012 €	2011 €
Trade debtors	12,240	3,300
Other debtors	<u>56,275</u>	<u>56,324</u>
	<u><b>68,515</b></u>	<u><b>59,624</b></u>

### 6. CREDITORS: Amounts falling due within one year

	2012 €	2011 €
Trade creditors	-	6,193
Other creditors	<u>16,171</u>	<u>15,306</u>
	<u><b>16,171</b></u>	<u><b>21,499</b></u>

### 7. RELATED PARTY TRANSACTIONS

The directors consider there is no ultimate controlling party.

No transactions with related parties were undertaken such as are required to be disclosed under the Financial Reporting Standard for Smaller Entities (effective April 2008).

### 8. COMPANY LIMITED BY GUARANTEE

The company is established under the Companies Act 1985 and is limited by guarantee, not having any share capital.