

ITEM 6/1: 2013 FINANCIAL STATEMENTS

FOR ENDORSEMENT

Members are invited

- i) to receive an audited statement of EDEN's accounts for 2013, 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 2013**

EUROPEAN DISTANCE AND E-LEARNING NETWORK COMPANY LIMITED BY GUARANTEE

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

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EUROPEAN DISTANCE AND E-LEARNING NETWORK COMPANY LIMITED BY GUARANTEE

THE REPORT OF THE EXECUTIVE COMMITTEE

YEAR ENDED 31 DECEMBER 2013

The Executive Committee present their report and the financial statements of the company for the year ended 31 December 2013.

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.

The Executive Committee notes with endorsement the development and reasonable diversification of the activities of the Association which are in line with the mission and aims of EDEN. The increased volume and intensity of the operations has been accompanied by enhanced awareness about the resource planning and control of management procedures. The new method used for recording the project incomes in the books helps better understanding and interpretation of the financial processes. Strict management and continuity of balanced financial functioning should be considered as priority in the future as well.

DIRECTORS

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

Antonio M. Teixeira	President of EDEN Universidade Aberta, Lisbon, Portugal
Alan Bruce	Joint Vice-President of EDEN Universal Learning Systems, Ireland
Airina Volungeviciene	Joint Vice-President of EDEN Vytautas Magnus University, Lithuania
Deborah Arnold	University of Burgundy, France
Lisa Marie Blaschke	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
Sandra Kucina Softic	University of Zagreb, Croatia Appointed 12 June 2013
Costas Tsolakidis	University of the Aegean, Greece
Wim Van Petegem	AVNet at K.U. Leuven, Belgium
Morten F. Paulsen	Nordic online Academy – NooA, Norway Resigned on 12 June 2013

NAP STEERING COMMITTEE CHAIR (Ex-Officio Member of the Executive Committee)

Ari-Matti Auvinen	Chair of the Network of Academics and Professionals Steering Committee, HCI Productions Oy, Finland
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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 year.

EUROPEAN DISTANCE AND E-LEARNING NETWORK COMPANY LIMITED BY GUARANTEE

THE REPORT OF THE EXECUTIVE COMMITTEE (*continued*)

YEAR ENDED 31 DECEMBER 2013

In preparing these financial statements, the Executive Committee are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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.

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

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 SHAREHOLDERS OF EUROPEAN DISTANCE AND E-LEARNING NETWORK

YEAR ENDED 31 DECEMBER 2013

We have audited the financial statements of European Distance and E-Learning Network for the year ended 31 December 2013. 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 shareholders, 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 shareholders 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 shareholders 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 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 the Executive Committee; 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2013 and of its deficit 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 MATTER 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 SHAREHOLDERS OF EUROPEAN DISTANCE
AND E-LEARNING NETWORK *(continued)*

YEAR ENDED 31 DECEMBER 2013

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

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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 2013

	Note	2013 €	2012 €
TURNOVER	1	468,674	442,744
Cost of sales		<u>141,485</u>	<u>160,021</u>
GROSS SURPLUS		327,189	282,723
Administrative expenses		<u>328,521</u>	278,409
OPERATING (DEFICIT)/SURPLUS	2	(1,332)	4,314
Interest receivable		66	72
(DEFICIT)/SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(1,266)</u>	<u>4,386</u>
Tax on (deficit)/surplus on ordinary activities	3	14	18
(DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR		<u>(1,280)</u>	<u>4,368</u>
Balance brought forward		<u>163,268</u>	<u>158,900</u>
Balance carried forward		<u><u>161,988</u></u>	<u><u>163,268</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 2013

	Note	2013 €	€	2012 €
FIXED ASSETS				
Tangible assets	4		<u>5,164</u>	<u>3,958</u>
CURRENT ASSETS				
Debtors	5	110,086		68,515
Cash at bank and in hand		<u>65,717</u>		<u>106,966</u>
		175,803		175,481
CREDITORS: Amounts falling due within one year	6	<u>18,979</u>		<u>16,171</u>
NET CURRENT ASSETS			<u>156,824</u>	<u>159,310</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>161,988</u>	<u>163,268</u>
RESERVES	8			
Income and expenditure account			<u>161,988</u>	<u>163,268</u>
MEMBERS' FUNDS			<u>161,988</u>	<u>163,268</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

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

.....
A. M. TEIXEIRA

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 2013

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 on a straight line basis over the periods in which the company recognises the related costs for which the grant is intended to compensate.

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 2013

1. TURNOVER

A geographical analysis of turnover is as follows:

	Membership Subscriptions	Conference Fees	Projects	Other	Total
	€	€	€	€	€
United Kingdom	6,050	9,564	-	400	16,014
Other European Union	58,590	71,816	230,483	998	361,887
Rest of Europe	15,588	42,981	-	-	58,569
Rest of the World	4,975	22,889	-	4,340	32,204
	<u>85,203</u>	<u>147,250</u>	<u>230,483</u>	<u>5,738</u>	<u>468,674</u>

2. OPERATING (DEFICIT)/SURPLUS

Operating (deficit)/surplus is stated after charging:

	2013	2012
	€	€
Executive committees' remuneration	-	-
Depreciation of owned fixed assets	1,512	1,472
Auditor's fees	3,000	3,000
Net loss on foreign currency translation	8,952	3,380

3. TAXATION ON ORDINARY ACTIVITIES

Analysis of charge in the year

	2013	2012
	€	€
Current tax:		
Over/under provision in prior year	14	18
Total current tax	<u>14</u>	<u>18</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 2013

4. TANGIBLE FIXED ASSETS

	Equipment €
COST	
At 1 January 2013	21,626
Additions	<u>2,718</u>
At 31 December 2013	<u><u>24,344</u></u>
DEPRECIATION	
At 1 January 2013	17,668
Charge for the year	<u>1,512</u>
At 31 December 2013	<u><u>19,180</u></u>
NET BOOK VALUE	
At 31 December 2013	<u><u>5,164</u></u>
At 31 December 2012	<u><u>3,958</u></u>

5. DEBTORS

	2013 €	2012 €
Trade debtors	7,476	12,240
Other debtors	<u>102,610</u>	<u>56,275</u>
	<u><u>110,086</u></u>	<u><u>68,515</u></u>

6. CREDITORS: Amounts falling due within one year

	2013 €	2012 €
Other creditors	<u>18,979</u>	<u>16,171</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.