



European Road Assessment Association AISBL

FINANCIAL REPORT
For the year ended 31st December 2019

Company Number **BE 0479824257**

Registered Address **Stephanie Square, Avenue Louise 65, Bte no 11,
2nd Floor, 1050 Brussels, Belgium**

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**European Road Assessment Association AISBL (“Eurorap”)
Financial Statements for the year ended 31st December 2019**

Administration Office

Stephanie Square, Avenue Louise 65, Bte no 11, 2nd Floor, 1050 Brussels, Belgium

Directors

Ferdinand (Ferry) Emanuel Smith - Chairman & Managing Director
John Dawson
Lluís Puerto Giménez
Robert Staba
Xavier Flores
Shona Holroyd

Bankers

Barclays Bank PLC 8 Market Place, Basingstoke, Hampshire, UK, RG21 7QA
KBC Bank NV Havenlaan 2 1080 – Brussels, Belgium

Auditors

Grant Thornton Reviseurs d’entreprises SCRL
Potvlietlaan 6, 2600 Berchem, Antwerpen, Belgium
Represented by Mr Aman Kuderbux
Statutory Auditor

Lawyers

Linklaters De Bandt
Rue Brederode 13, B-1000, Brussels, Belgium

Statutory auditor's report to the general meeting of members of European Road Assessment Association AISBL for the year ended 31 December 2019

In the context of the statutory audit of the annual accounts of European Road Assessment Association AISBL (the "Organisation"), we hereby present our statutory auditor's report. It includes our report on the annual accounts as well as other legal and regulatory requirements. This forms a whole and is indivisible.

We have been appointed as statutory auditor by the general meeting of members of 16 May 2019, following the proposal by the board of directors. Our statutory auditor's mandate will expire on the date of the general meeting of members which will deliberate on the annual accounts closed on 31 December 2021. We have performed the statutory audit of the annual accounts of European Road Assessment Association during the year.

Report on the annual accounts

Unqualified opinion

We have audited the annual accounts of the Organisation, which comprise the balance sheet as at 31 December 2019, the profit and loss account for the year then ended and the notes to the annual accounts, characterised by a balance sheet total of € 366.445,75 and a profit and loss account showing a negative result for the year of € 52.500,85.

In our opinion, the annual accounts give a true and fair view of the Organisation's net equity and financial position as at 31 December 2019 as well as of its results for the year then ended, in accordance with the financial reporting framework applicable in Belgium.

Basis for unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Belgium. Our responsibilities under those standards are further described in the 'Statutory auditor's responsibilities for the audit of the annual accounts' section in this report. We have complied with all the ethical requirements that are relevant to the audit of annual accounts in Belgium, including those concerning independence.

We have obtained from the board of directors and the officials of the Organisation the explanations and information necessary for performing our audit.

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

Emphasis of matter paragraph regarding COVID-19

We draw attention to Note 8 to the financial statements which describes that in March 2020, after the close of the financial year, the World Health Organization declared the COVID-19 epidemic a pandemic. The Board of Directors of the Association have considered the impact of COVID-19 on the financial statements for the year ending 31 December 2019. The Board of Directors are confident that COVID-19 will not have a material effect on the Association's results as of 31 December 2020. Our opinion is not qualified in respect of this matter.

Other matter

The annual accounts of European Road Assessment Association AISBL for the financial year ended 31 December 2018 have been audited by another statutory auditor who expressed in his report dated 16 May 2019 an unqualified opinion on these annual accounts.

Responsibilities of the board of directors for the annual accounts

The board of directors is responsible for the preparation of annual accounts that give a true and fair view in accordance with the financial reporting framework applicable in Belgium, and for such internal control as the board of directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the board of directors is responsible for assessing the Organisation'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 the board of directors either intends to liquidate the Organisation or to cease operations, or has no realistic alternative but to do so.

Statutory auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a statutory 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 ISAs 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 annual accounts.

When performing our audit, we comply with the legal, regulatory and normative framework that applies to the audit of the financial statements in Belgium.

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

- Identify and assess the risks of material misstatement of the annual accounts, 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 Organisation’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 the board of directors’ 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 Organisation’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory 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 the audit evidence obtained up to the date of our statutory auditor’s report. However, future events or conditions may cause the Organisation to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the annual accounts and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors 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 identified during our audit.

Report on other legal and regulatory requirements

Responsibilities of the board of directors

The board of directors is responsible for the presentation and the content of the other information included in the annual account for the compliance with the legal and regulatory requirements regarding bookkeeping, as well as for compliance with the Company and Association code as from 1 January 2020 ,with the Law of 27 June 1921 on non-profit organisations, foundations, European political parties and European political foundations until 31 December 2019 , and with the Organisation’s by-laws.

Responsibilities of the statutory auditor

In the context of our mandate and in accordance with the Belgian standard (Revised in 2020) which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, it is our responsibility to verify, in all material aspects, the other information included in the annual accounts, compliance with certain provisions of the Company and Association Code as from 1 January 2020, the Law of 27 June 1921 on non-profit organisations, foundations, European political parties and European political foundations until 31 December 2019 and with the by-laws, as well as to report on these elements.

Aspects relating to the other information included in the annual report

The board of directors has not drawn up an annual report as they are exempt in accordance with article 3:48 of the Companies and Associations Code regarding small associations.

Statement related to independence

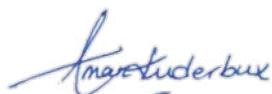
- Our audit firm and our network did not provide services which are incompatible with the statutory audit of annual accounts, and we remained independent of the Organisation throughout the course of our mandate.

Other statements

- Without prejudice to certain formal aspects of minor importance, the accounting records are maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- There are no transactions undertaken or decisions taken in breach of the by-laws or of the Law of 27 June 1921 on non-profit organisations, foundations, European political parties and European political foundations or as from 1 January 2020 with respect to the Companies and Association code that we have to report to you.

Brussels, 4 June 2020

Grant Thornton Bedrijfsrevisoren CVBA
Statutory Auditor
Represented by



Aman Kuderbux
Registered auditor

European Road Assessment Association AISBL (“Eurorap”)
Income & Expenditure Account

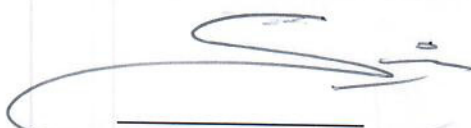
		2019	2018
		€	€
Income			
Grant receivable	4	102,258	25,000
Membership fees		34,471	28,799
Interest receivable		615	6,851
Other income	5	20,622	223
Total net income		157,966	60,873
Expenses			
Staff remuneration costs		(82,878)	-
Travel, hotel and subsistence		(26,949)	(8,450)
Equipment purchase costs		(686)	-
Subcontracting costs		(7,375)	(11,680)
Other direct costs		(42,419)	(44,124)
Indirect costs		(52,904)	(21,175)
Foreign exchange translation differences		2,744	4,720
Total net expenses		(210,467)	(80,709)
Net deficit for the year		(52,501)	(19,836)

The notes on pages 8 to 9 are an integral part of these financial statements.

European Road Assessment Association AISBL (“Eurorap”)
Statement of Financial Position

	<u>As at 31 December</u>	
	2019	2018
Assets	€	€
Investments	300	300
Tangible fixed assets	2,303	-
Financial fixed assets	2,398	-
Other receivables	226,870	110,877
Grants receivable	4	-
Cash and cash equivalents	134,575	245,246
Total assets	366,446	356,423
Liabilities		
Taxes, remuneration & social security	- 29,700	-
Other payables and accrued expenses	- 64,850	- 32,026
Total liabilities excluding net assets attributable to the members	- 94,550	- 32,026
Net assets attributable to the members	271,896	324,397
Represented by:		
Accumulated reserves	324,397	344,233
Surplus/(deficit) for the year	- 52,501	- 19,836
Net assets attributable to the members	271,896	324,397

The financial statements were approved by the Directors on 25 June 2020



 Ferry Smith
 Managing Director

European Road Assessment Association AISBL (“Eurorap”)

Notes to the Financial Statements for the Year ended 31st December 2019

1. Accounting Policies

The financial statements have been prepared in accordance with generally accepted accounting principles in Belgium.

2. Exchange Translation

The reporting currency for the Association is the Euro. Transactions are converted into Euro for the relevant month at the actual rate. Gains and losses arising on translation into Euros are included in the Income and Expenditure Account.

3. Revenues

Revenues comprise of grants receivable together with membership fees and other revenues from road assessment projects sponsorship and member services. Grants receivable are recognised when a full commitment to payment exists.

4. Grant Receivable

	<u>Year Ended 31 December</u>	
	2019	2018
	€	€
Members	-	-
Total Members	<u>-</u>	<u>-</u>
Non-members		
European Commission	37,258	-
European Automobile Manufacturers' Association (ACEA)	65,000	25,000
Total Non-members	<u>102,258</u>	<u>25,000</u>
Total receivable via income and expenditure statement	<u>102,258</u>	<u>25,000</u>

European Road Assessment Association AISBL (“Eurorap”)
Notes to the Financial Statements for the Year ended 31st December 2019

5. Other income

	2019	2018
	€	€
World Health Organisation	-	223
Recovered Expenses	20,622	-
Total other income	<u>20,622</u>	<u>223</u>

6. Employees

The number of employees in full-time equivalents was:

	<u>Year Ended 31 December</u>	
	2019	2018
Average employees in FTE's	0.6	-

7. Related Parties

Mr Ferry Smith, Chairman and Managing Director, is a director of European Institute of Road Assessment (EIRA) which is a 100% subsidiary of Euro RAP and also International Road Assessment Programme (“iRAP”) which provided staffing and facilities in support of the EuroRAP programme. John Dawson (a Director) is also a director of the European Institute of Road Assessment (EIRA).

8. Subsequent events

In March 2020, after the close of the financial year, the World Health Organization declared the COVID-19 epidemic a pandemic. The Board of Directors of the Association have considered the Impact of COVID-19 on the financial statements for the year ending 31 December 2019. The Board of Directors are confident that COVID-19 will not have a material effect on the Association's results as of 31 December 2020.