



**European Road Assessment Association AISBL**

**FINANCIAL REPORT**  
**For the year ended 31<sup>st</sup> December 2020**

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<b>Company Number</b>	<b>BE 0479824257</b>
<b>Registered Address</b>	<b>Stephanie Square, Avenue Louise 65, Bte no 11, 2<sup>nd</sup> Floor, 1050 Brussels, Belgium</b>

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**European Road Assessment Association AISBL (“Eurorap”)  
Financial Statements for the year ended 31<sup>st</sup> December 2020**

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**Administration Office**

Stephanie Square, Avenue Louise 65, Bte no 11, 2<sup>nd</sup> Floor, 1050 Brussels, Belgium

**Directors**

Ferdinand (Ferry) Emanuel Smith - Chairman & Managing Director  
John Dawson  
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 2020**

## **Statutory auditor's report to the general meeting of members of European Road Assessment Association AISBL for the year ended 31 December 2020**

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 2 years.

### **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 2020, the profit and loss account for the year then ended and the notes to the annual accounts, characterised by a balance sheet total of € 356.538,81 and a profit and loss account showing a negative result for the year of € 35.513,46.

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 2020 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**

Without qualifying our opinion expressed above, we draw attention to Note 8 to the financial statements which refers to the analysis made by the board of directors of the cash flows and the impact on the business resulting from different possible scenarios resulting from the COVID-19 crisis, as well as the measures that can be taken to mitigate this impact. Based on the basis of these assessments, the board of directors has concluded that it can continue to apply the going concern basis of accounting in establishing the financial statements for the year ended.

### **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 Company and Association code 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 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**

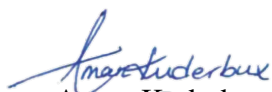
- Our audit firm and our network did not provide services which are incompatible with the statutory audit of annual accounts, and we remained independent of the Organisation throughout the course of our mandate.

#### **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 Companies and Association code that we have to report to you.

Brussels, 1 June 2021

Grant Thornton Bedrijfsrevisoren CVBA  
Statutory Auditor  
Represented by



Aman Kuderbux  
Registered Auditor

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

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	Notes	2020	2019
		€	€
<b>Income</b>			
Grant receivable	4	234.971	102.258
Membership fees		33.926	34.471
Interest receivable		906	615
Other income	5	811	20.622
<b>Total net income</b>		<b>270.614</b>	<b>157.966</b>
<b>Expenses</b>			
Staff remuneration costs		(188.895)	(82.878)
Travel, hotel and subsistence		(4.317)	(26.949)
Equipment purchase costs		-	(686)
Subcontracting costs		-	(7.375)
Other direct costs		(70.312)	(42.419)
Indirect costs		(41.809)	(52.904)
Foreign exchange translation differences		(795)	2.744
<b>Total net expenses</b>		<b>(306.127)</b>	<b>(210.467)</b>
<b>Net deficit for the year</b>		<b>(35.513)</b>	<b>(52.501)</b>

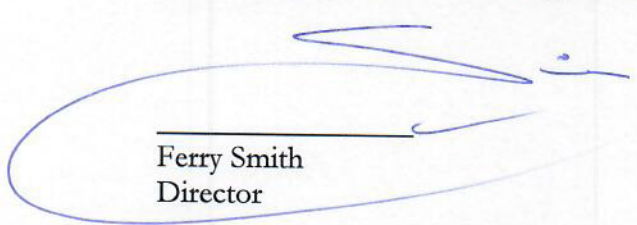
The notes on pages 8 to 9 are an integral part of these financial statements.



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

	Notes	2020	2019
<b>Assets</b>		€	€
Investments		300	300
Tangible fixed assets		1.442	2.303
Financial fixed assets		2.398	2.398
Other receivables		219.110	226.870
Grants receivable	4	66.595	-
Cash and cash equivalents		66.694	134.575
<b>Total assets</b>		<b>356.539</b>	<b>366.446</b>
<b>Liabilities</b>			
Taxes, remuneration & social security		(30.148)	(29.700)
Other payables and accrued expenses		(90.008)	(64.850)
<b>Total liabilities excluding net assets attributable to the members</b>		<b>(120.156)</b>	<b>(94.550)</b>
<b>Net assets attributable to the members</b>		<b>236.383</b>	<b>271.896</b>
Represented by:			
Accumulated reserves		271.896	324.397
Surplus/(deficit) for the year		(35.513)	(52.501)
<b>Net assets attributable to the members</b>		<b>236.383</b>	<b>271.896</b>

The financial statements were approved by the Directors on 17 June 2021

  
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 Ferry Smith  
 Director

## European Road Assessment Association AISBL (“Eurorap”) Notes to the Financial Statements for the Year ended 31<sup>st</sup> December 2020

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### 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>	
	<b>2020</b>	2019
	€	€
<b>Members</b>	-	-
<b>Total Members</b>	<u>-</u>	<u>-</u>
<b>Non-members</b>		
European Commission	115,221	37,258
European Automobile Manufacturers' Association (ACEA)	65,000	65,000
European Investment Bank (EIB)	20,000	-
3M	25,000	-
Road Assessment Services	9,750	-
<b>Total Non-members</b>	<u>234,971</u>	<u>102,258</u>
<b>Total receivable via income and expenditure statement</b>	<u>234,971</u>	<u>102,258</u>

**European Road Assessment Association AISBL (“Eurorap”)**  
**Notes to the Financial Statements for the Year ended 31<sup>st</sup> December 2020**

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**5. Other income**

	2020	2019
	€	€
World Health Organisation	-	-
Recovered Expenses	<b>811</b>	20.622
<b>Total other income</b>	<b>811</b>	<b>20.622</b>

**6. Employees**

The number of employees in full-time equivalents was:

	<b><u>Year Ended 31 December</u></b>	
	2020	2019
	€	€
Average employees in FTE's	<u>2,1</u>	<u>0,6</u>

**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. Shona Holroyd (a Director) is also a director of the European Institute of Road Assessment (EIRA).

**8. COVID-19 crisis**

In March 2020, the World Health Organization declared the COVID-19 epidemic a pandemic. The COVID-19 crisis has no significant impact on the financial results of the association for the year ended 31 December 2020. The Board of Directors have factored possible scenarios related to the impact of COVID-19 factors in establishing the annual budget and future cash flows as well as the actions they can take to mitigate that impact. Based on these assessment, taking into account the measures that could be taken to mitigate the current adverse conditions, and the resources currently available, Board of Directors have concluded that they can continue to adopt the going concern principle in establishing the financial statements.