

Independent auditor's report to European Green Party AISBL for the year ended 31 December 2017

In accordance with our service contract dated 18 November 2016 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 Ernst & Young Réviseurs d'Entreprises scrl. This report includes our opinion on the balance sheet as at 31 December 2017, the income statement for the year ended 31 December 2017 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 political parties and political foundations at European level 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 18 November 2016. Our mandate expires after the delivery of our audit opinion for the year ending 31 December 2017.

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 European Green Party AISBL (the "Entity"), that consist of the balance sheet on 31 December 2017, as well as the income statement of the year and the disclosures, which show a balance sheet total of € 1.071.875,89 and of which the income statement shows a positive result for the year of € 150.000.

The positive result of the year has been transferred to the Specific Reserve Account. Reserve accumulated (including the result of the year) amount to € 662.103,53 and a carry-over to € 173.558,77.

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 2017, 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 2017 in accordance with the

rules and regulations applicable to funding of political parties and political foundations at European level of European Green Party AISBL.

In our opinion, the Final Statement of eligible expenditure actually incurred of the Entity for the year ended 31 December 2017 is prepared, in all material respects, in accordance with rules and regulations applicable to funding of political parties and political foundations at European level.

Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). 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 Note 8, i.e. 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.

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 determines 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 and must comply with the provisions of the Regulation (EC) No 2004/2003 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 ISAs 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.

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

As part of an audit, in accordance with ISAs, we exercise professional judgment and we maintain professional skepticism 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 European Parliament's grant award decision, Regulation (EC) No 2004/2003 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 decision, Regulation (EC) No 2004/2003 and the underlying acts have been met.

Independence matters

We have not performed any 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 financial documents submitted by European Green Party AISBL to the European Parliament are consistent with the financial provisions of the Bureau's grant award decision;
- ▶ The expenditure declared was actually incurred;
- ▶ The statement of revenue is exhaustive;
- ▶ The obligations arising from the Regulation (EC) No 2004/2003 have been met;
- ▶ The obligations arising from the Bureau decision of 29 March 2004 have been met;
- ▶ The obligations arising from the grant award decision, in particular from Article II.7 - Award of contracts and Article II.11 - Eligible expenditure, have been met;
- ▶ Any surplus carried over to the next financial year has been used in the first quarter of the financial year, pursuant to Article 6a of the Bureau decision of 29 March 2004;
- ▶ The obligations arising out of Article 125(5) and (6) of the Financial Regulation have been met;

- ▶ The contributions in kind have actually been provided to the beneficiary and have been valued in compliance with the applicable rules.

Brussels, 27 April 2018

Ernst & Young Réviseurs d'Entreprises scrl
Independent Auditor
represented by



Danielle Vermaelen*
Partner
* Acting on behalf of a BVBA/SPRL

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NOTE 8

Final statement of eligible expenditure actually incurred

EXPENDITURE		Budget	Actual	REVENUE	
Eligible expenditure					
A.1: Personnel costs		1,016,000	915,560	D.1 Dissolution of "Provision to cover eligible costs to be incurred in the first quarter of N"	
1. Salaries		675,000	652,268		191,675
2. Contributions		231,000	160,448		
3. Professional training		10,000	9,041		
4. Staff mission expenses		32,000	26,268		
5. Other personnel costs		68,000	67,535		
A.2: Infrastructure and operating costs		240,800	233,065	D.2 European Parliament grant	
1. Rent, charges and maintenance costs		102,000	98,488		1,932,000
2. Costs relating to the installation, operation and maintenance of equipment		32,000	30,238		1,865,988
3. Depreciation of movable and immovable property		59,000	56,861		365,000
4. Stationery and office supplies		10,000	9,716		382,264
5. Postal and telecommunications charges		18,000	20,234		13,410
6. Printing, translation and reproduction costs		11,000	11,138		15,000
7. Other infrastructure costs		14,800	6,390		1,000
A.3: Administrative expenditure		175,500	158,167	D.3 Membership fees	
1. Documentation costs (newspapers, press agencies, databases)		13,000	6,719		350,000
2. Costs of studies and research		0	0		15,000
3. Legal costs		12,000	29,087		865
4. Accounting and audit costs		13,000	4,842		0
5. Support to affiliated organisations and subsidies to third parties*		70,000	62,703		1,000
6. Miscellaneous administrative costs		67,500	54,816		0
A.4: Meetings and representation costs		1,181,890	1,145,437	D.4 Donations	
1. Costs of meetings of the political party		1,154,390	1,040,410		472,648
2. Participation in seminars and conferences		22,000	20,590		45,500
3. Representation costs		5,000	316		0
4. Cost of invitations		2,000	0		292,148
5. Other meeting-related costs		8,500	84,121		125,000
A.5: Information and publication costs		151,500	76,938		10,000
1. Publication costs		5,000	2,126		0
2. Creation and operation of internet sites		10,000	11,264		292,148
3. Publicity costs		126,500	60,044		125,000
4. Communications equipment (gadgets)		10,000	3,505		0
5. Seminars and exhibitions		0	0		0
6. Election campaigns*		0	0		0
7. Other information-related costs		0	0		0
A.6: Expenditure relating to contributions in kind		90,000	47,407	D.5 Other own resources (to cover eligible expenditure) (to be listed)	
A.7: Allocation to "Provision to cover eligible expenditure to be incurred in the first quarter of N+1"			173,558		428,668
A. TOTAL ELIGIBLE EXPENDITURE		2,865,690	2,750,134	D.6 Contributions in kind	
B.1: Non-eligible expenditure		236,500	164,512		90,000
1. Allocations to other provisions		100,000			
2. Financial charges		1,000	3,243		
3. Exchange losses		500	0		
4. Doubtful claims on third parties		5,000	34,093		
5. Others (invoice costs)		130,000	127,177		
B. TOTAL NON-ELIGIBLE EXPENDITURE		236,500	164,512	D. REVENUE (to cover eligible expenditure)	
C. TOTAL EXPENDITURE		3,102,190	2,914,646		2,860,648
H.1 Allocation of own resources to the specific reserve account¹			150,000	E.1 Additional other own resources (to cover non-eligible expenditure) (to be listed)	
H. Profit/loss for verifying compliance with the no-profit rule (G-H.1)¹			-42		241,500
					114,500
					2,000
					125,000
					241,500
					3,102,148
					-42
					150,000



Mar Garcia Sanz
Secretary General EGP