

EURIM

(a company limited by guarantee)

Directors' report and financial statements

31 December 2002

Registered number 2816980

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Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2002.

Principal activities

EURIM is a UK-based Parliament-Industry Group concerned with the politics of the "Information Society" in a European context. It brings together MPs, MEPs, Peers, Corporates and not-for-profit associations to review issues and brief Westminster, Whitehall and Brussels on the areas of agreement and disagreement among its members. When there is consensus among the membership it works to secure timely and effective action accordingly.

Business review

During the course of the year activities were focussed on the following themes (and subgroups): Competitiveness (Broadband Availability); Modernising Government (Improving Service Delivery, Inter-operability and Social Inclusion); E-Crime (including the implementation of the RIP and Anti-Terrorism Acts), Fair Dealing (including the adoption of Alternative Disputes Resolution processes for E-Commerce and ICT product and service contracts) and Communications Regulation (including the Communications Bill, E-Commerce and Internet Regulation, Privacy and Surveillance).

Over thirty meetings were held in the UK and European Parliaments, including six major presentation/consultation meetings, three in support of the Communications Bill, on which half the members of the Scrutiny Committee were Parliamentary members of EURIM. Workshops were organised on over a dozen UK and EU consultation exercises and formal EURIM submissions were subsequently made on most of these. All subgroups organised off-the-record meetings with relevant officials to progress policy formation and participants' responses to consultation exercises. Summaries of these were sent to all members who had registered interest and placed on the members' area of the website. Five formal briefings (The Critical Success Factor, E-Crime - A new opportunity for partnership, Time for Next Steps, Inter-Operability and Making IT Work) were agreed and published and preliminary work was under way on four (Social Inclusion, Medical Records, Open Standards and E-Crime and Small Firms) at the year end .

Directors

The directors during the year were:

Lord Renwick
Lord Randall of St Budeaux
Giles Chichester MEP
Margaret Moran MP (appointed 12th February 2002)
Lord McNally (appointed 30th April 2002)
John McWilliam MP
Barry Sheerman MP
Ian Taylor MBE MP
Brian White MP

Auditors

During the course of the year KPMG resigned as auditors and KPMG LLP were appointed. In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Political and Charitable Donations

The Company made no political or charitable donations during the year.

By order of the board

Brian White MP

7th February 2003
165 Queen Victoria Street
London
EC4V 4DD

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Report of the independent auditors to the members of EURIM

We have audited the financial statements on pages 4 to 6.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2002 and of its deficit for year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG
Chartered Accountants
Registered Auditors

7th February 2003

Income and expenditure account

for the year ended 31 December 2002

	Note	£	2002 £	£	2001 £
Turnover	2				
Subscriptions:					
Corporate members			109,576		113,749
Associate members			31,522		26,083
Other			6,984		12,424
			<hr/>		<hr/>
			148,082		152,256
Administrative expenses:					
Governance		19,328		19,649	
Management		8,946		16,844	
Membership Services		38,169		22,866	
Recruitment		13,882		13,333	
Dissemination and publication		9,279		11,853	
Research		81,135		75,237	
			<hr/>		<hr/>
			(170,739)		(159,782)
Operating deficit			(22,657)		(7,526)
Interest on deposit accounts			4,073		5,639
			<hr/>		<hr/>
(Deficit)/surplus on ordinary activities before taxation			(18,584)		(1,887)
Taxation	3				(1,128)
Taxation this year		(407)			
Less Overprovision in previous years		575			
			<hr/>		
			168		
(Deficit)/surplus for the period			(18,416)		(3,015)
Retained surplus brought forward			89,018		92,033
			<hr/>		<hr/>
Retained surplus carried forward			70,602		89,018
			<hr/> <hr/>		<hr/> <hr/>

There were no other surpluses or deficits apart from those reported in the income and expenditure account.

Balance sheet

at 31 December 2002

	<i>Note</i>	£	2002 £	£	2001 £
Current assets					
Debtors		0			
Cash at bank and in hand		145,244		149,476	
		<hr/>		<hr/>	
Creditors - amounts falling due within one year	4		145,244 (74,642)		149,476 (60,458)
			<hr/>		<hr/>
Net current assets			70,602		89,018
			<hr/> <hr/>		<hr/> <hr/>
Reserves					
Revenue reserve			70,602		89,018
			<hr/> <hr/>		<hr/> <hr/>

These financial statements were approved by the board of directors on 7th February 2003 and were signed on its behalf by:

Brian White MP
 Director

Notes

(forming part of the financial statements)

1 Accounting policies

The financial statements have been prepared under the historical cost accounting rules and in accordance with applicable accounting standards.

Under Financial Reporting Standard 1 (Revised 1996) the company is exempt from the requirement to prepare a cash flow statement in view of its size.

2 Turnover

Turnover represents subscriptions received from members exclusive of VAT.

3 Taxation

No corporation tax is payable as the Inland Revenue has confirmed that the company does not trade. Income tax is however payable on building society and bank interest received. This amounts to £407 for the year ended 31 December 2001 (2001: £1,128). There was an overprovision for tax in previous years of £575 which has been credited to the P&L.

4 Creditors

Amounts falling due within one year

	2002 £	2001 £
Income tax on bank interest	407	1,128
Advance membership	67,688	55,377
Sundry creditors	6,547	3,953
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	74,642	60,458
	<hr/> <hr/>	<hr/> <hr/>

5 Members' liability

The company is limited by guarantee and has no share capital. On a winding up each member and each person who ceased to be a member within one year prior to the date of winding up is liable to contribute a sum not exceeding £1 to the assets of the company for payments of the debts and liabilities of the company contracted before he ceased to be a member of the company, and of the costs, charges and expenses of the winding up of the company.