

EURIM

(a company limited by guarantee)

Directors' report and financial statements

31 December 2003

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 2003.

Principal activities

EURIM is a UK-based Parliament-Industry Group concerned with the politics of the "Information Society" in a UK and 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 and the Knowledge Economy); Modernising Government (Improving Service Delivery, Interoperability, Social Inclusion and the use of Open Source Software); E-Crime (including the implementation of the RIP and Anti-Terrorism Acts), Fair Dealing (including with regard to Intellectual Property Rights), E-Skills (including responses to the consultations on 21st Century Skills and Lifelong learning) and Communications Regulation (including the transition from OfTel to Ofcom and the impending reviews of Public Service Broadcasting, the Telecoms Markets and Spectrum Trading).

Over sixty meetings and workshops were organised in the course of the year including public meetings on E-Crime and with Ofcom, DTI, Home Office and Cabinet Office to help plan consultation exercises as well as meetings to help ensure balanced responses to those already under way. Formal EURIM submissions were subsequently made on half of these. Summaries of these were sent to all members who had registered interest and placed on the members' area of the website. No formal briefings were published in the course of the year but reports summarising the current status of debate were issued by a number of groups (e.g. on Medical Records and Privacy issues) and a major Report on Partnership Policing to address E-Crime was launched jointly with IPPR.

Directors

The directors during the year were:

Lord Renwick
Lord Randall of St Budeaux
Giles Chichester MEP
Margaret Moran MP
Lord McNally
John McWilliam MP
Barry Sheerman MP (until 2nd April 2003)
Ian Taylor MBE MP
Brian White MP

Auditors

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

6th February 2004
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.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

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 2003 and of its surplus for year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG
Chartered Accountants
Registered Auditors

6th February 2004

Income and expenditure account

for the year ended 31 December 2003

	Note	£	2003 £	£	2002 £
Turnover	2				
Subscriptions:					
Corporate members			110,335		109,576
Associate members			29,520		31,522
Other			38,777		6,984
			<hr/>		<hr/>
			178,632		148,082
Administrative expenses:					
Governance		19,612		19,328	
Management		9,855		8,946	
Membership Services		20,327		38,169	
Recruitment		8,641		13,882	
Dissemination and publication		8,586		9,279	
Research		92,860		81,135	
			<hr/>	<hr/>	
			(159,881)		(170,739)
			<hr/>		<hr/>
Operating surplus			18,751		(22,657)
Interest on deposit accounts			4,189		4,073
			<hr/>		<hr/>
Surplus/(deficit) on ordinary activities before taxation			22,940		(18,584)
Taxation	3				
Taxation this year		-			(407)
Less Overprovision in previous years		-			575
			<hr/>		<hr/>
			-		168
			<hr/>		<hr/>
Surplus/(deficit) for the period			22,940		(18,416)
Retained surplus brought forward			70,602		89,018
			<hr/>		<hr/>
Retained surplus carried forward			93,542		70,602
			<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 2003

	<i>Note</i>	£	2003 £	£	2002 £
Current assets					
Debtors		0			
Cash at bank and in hand		191,339		145,244	
		<hr/>		<hr/>	
Creditors - amounts falling due within one year	4		191,339 (97,857)		145,244 (74,642)
			<hr/>		<hr/>
Net current assets			93,542		70,602
			<hr/> <hr/>		<hr/> <hr/>
Reserves					
Revenue reserve			93,542		70,602
			<hr/> <hr/>		<hr/> <hr/>

These financial statements were approved by the board of directors on 6th February 2004 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 and the interest on building society and bank accounts is below £10,000.

4 Creditors

Amounts falling due within one year

	2003 £	2002 £
Income tax on bank interest	-	407
Advance membership subscriptions and sponsorship receipts	85,032	67,688
Sundry creditors	12,825	6,547
	<hr/>	<hr/>
	97,857	74,642
	<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.