

# **EURIM**

(A company limited by guarantee)

**Directors' report and financial statements**

Registered number 2816980

31 December 2005

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## Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2005.

### Principal activities

EURIM is a UK-based not-for-profit group concerned with the politics of the "Information Society" in a UK and European context. It brings together politicians (MPs, MEPs and Peers), advisors (including officials as observers) and Industry (corporations, trade associations, professional bodies, not-for-profits etc.) to review issues and identify where work is needed (whether to set the agenda for debate, or to better scrutinise proposals already under way). Where there is consensus, EURIM works to secure timely and effective action at whatever level necessary.

### Business review

During the course of the year, activities were focussed on the following themes: Knowledge Economy (including UK Competitiveness, Intellectual Property Rights and Open Source issues); the use of ICT to help deliver public services when, where and how they are most needed; E-Crime (including legal issues, security and investigatory skills, policing structures and prevention measures); Personal Identity and Data Sharing; and Communications regulation (including the TV Without Frontiers and other policy reviews).

Over 70 meetings (two hour workshops to three days conferences) were organised in the course of the year, including joint events with others, to help set the agenda for future policy as well as to help ensure balanced responses to consultations or inquiries already under way. We worked with Home Office and IPPR on E-Crime, DCA on Data Sharing, POST on Ubiquitous Computing, Intellect on IPR and the political image of the IT sector, Westminster Media Forum on TV Without Frontiers and with the Oxford Internet Institute on Internet safety. Summaries of the meetings organised by EURIM were sent to those who had registered interest and also placed on our website: [www.eurim.org.uk](http://www.eurim.org.uk). Papers were published during the year on E-Crime, Personal Identity, Data Sharing, Internet Safety and IPR issues.

### Directors

The directors during the year were:

The Earl of Erroll  
Malcolm Harbour MEP  
Lord McNally  
John McWilliam MP (resigned 15<sup>th</sup> June)  
Margaret Moran MP  
Lord Randall of St Budeaux  
Lord Renwick  
Ian Taylor MBE MP  
Brian White MP (resigned 15<sup>th</sup> June)

### 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

Margaret Moran MP

31st January 2006  
165 Queen Victoria Street  
London  
EC4V 4DD

## **Statement of directors' responsibilities in respect of the Directors' Report and the Financial Statements**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK Accounting Standards.

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its 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.

Under applicable law the directors are also responsible for preparing a Directors' Report that complies with that law.



## **Independent auditors' report to the Members of EURIM**

We have audited the financial statements of EURIM for the year ended 31 December 2005 which comprise the income and expenditure account and the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

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**

As described in the Statement of Directors' Responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and of its surplus for the year then ended; and have been properly prepared in accordance with the Companies Act 1985.

**KPMG LLP**  
*Chartered Accountants*  
*Registered Auditor*

8 Salisbury Square  
London, EC4Y 8BB

## Income and Expenditure account

for the year ended 31 December 2005

	Note	2005	2004
		£	£
<b>Turnover</b>	2		
<b>Subscriptions:</b>			
Corporate members		113,898	143,131
Associate members		28,281	26,672
Other		-	17,818
		<hr/>	<hr/>
		142,179	187,621
<b>Administrative expenses:</b>			
Governance	(19,273)	(24,461)	
Management	(5,447)	(9,009)	
Membership Services	(31,697)	(25,720)	
Recruitment	(11,206)	(5,604)	
Dissemination and publication	(6,179)	(10,433)	
Research	(73,531)	(80,700)	
		<hr/>	<hr/>
		(147,334)	(155,927)
<b>Operating surplus/(deficit)</b>		<hr/>	<hr/>
		(5,154)	31,694
Interest on deposit accounts		7,432	7,111
		<hr/>	<hr/>
<b>Surplus on ordinary activities before and after taxation</b>		2,278	38,805
Retained surplus brought forward		132,347	93,542
		<hr/>	<hr/>
<b>Retained surplus carried forward</b>		134,625	132,347
		<hr/>	<hr/>

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

## Balance sheet

at 31 December 2005

	<i>Note</i>	£	2005 £	£	2004 £
<b>Current assets</b>					
Cash at bank and in hand		<b>193,370</b>		194,757	
		<hr/>		<hr/>	
<b>Creditors - amounts falling due within one year</b>	5		<b>193,370 (58,745)</b>		194,757 (62,410)
			<hr/>		<hr/>
<b>Net assets</b>			<b>134,625</b>		132,347
			<hr/> <hr/>		<hr/> <hr/>
<b>Reserves</b>					
Revenue reserve			<b>134,625</b>		132,347
			<hr/> <hr/>		<hr/> <hr/>

These financial statements were approved by the board of directors on 31st January 2006 and were signed on its behalf by:

**Margaret Moran 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 Profit/(loss) on ordinary activities is stated after charging:

	2005	2004
	£	£
Auditor's remuneration:		
Audit	2,200	2,200
Other Services	200	200
	<hr/>	<hr/>
	2,400	2,400
	<hr/> <hr/>	<hr/> <hr/>

### 4 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.

### 5 Creditors

Amounts falling due within one year

	2005	2004
	£	£
Advance membership subscriptions and sponsorship receipts	50,877	57,031
Sundry creditors	7,868	5,379
	<hr/>	<hr/>
	58,745	62,410
	<hr/> <hr/>	<hr/> <hr/>

### 6 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.

### 7 Directors Emoluments

The Directors of EURIM received no emoluments during the financial year ended 31 December 2005 (2004 £nil).

### 8 Staff Numbers and Costs

EURIM did not have any employees during the year ended 31 December 2005 (2004 nil).