

EUROPEAN BRAIN COUNCIL

ANNUAL ACCOUNTS

YEAR 2007

EUROPEAN BRAIN COUNCIL

DECEMBER 31ST 2007

Background

The European Brain Council (EBC) is registered in Belgium as an International non-profit organisation and is a collaboration of pan-European Organisations, interested in brain research.

Objective, scope, and methodology

Mr. Alistair Newton, Acting Treasurer of the Managing Board, requested me to evaluate the results and the financial position.

To achieve the audit objective, I have

- Reviewed the bookkeeping and internal imputation figures
- Examined all income, expense and financial figures

The audit was conducted in accordance with Belgian Auditing standards.

The present report does not give an opinion regarding:

- The administrative organization of the association and its permanent internal control system, which were organised by the Managing Board.
- The nature of expenses.

Attached are the financial statements of the financial year 2007 as at December 31st 2007 :

- balance sheet
- explanatory notes to the balance sheet
- profit & loss account
- explanatory notes to the profit & loss account
- audit result

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BALANCE SHEET

December 31st, 2007	BALANCE SHEET		EUROPEAN BRAIN COUNCIL	
<u>Assets</u>			<u>Liabilities</u>	
	€		€	
<u>Tangible assets</u>			<u>Capital and reserves</u>	
Office Equipment	10.697,14		Surplus from previous years	489.382,72
Depreciation	-9.874,85		Result of the financial year	341.022,75
		822,29		830.405,47
<u>Financial assets</u>				
Guarantee renting	1.250,00			
		1.250,00		
<u>Amounts receivable < 1 year</u>				
Debtors	771,70			
Suppliers	1.523,02			
		2.294,72		
<u>Cash at bank and in hand</u>				
KBC 735-0113831-38	15.579,49			
KBC 735-0057649-19	4.258,29			
KBC 7350149462-70	7.346,52			
KBC 745-0084093-63	3.259,15			
KBC - Long Term account	462.725,61			
KBC 745-018352-31	332.869,40			
		826.038,46		
		830.405,47		830.405,47

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Notes to the balance sheet

Tangible Assets

This concerns expenditures on items which can be used for more than one year. Consequently, the expenditure is not taken in one year, but spread over different years, e.g. 3 years. Every year 1/3 is taken into the profit & loss account.

Below is an overview of the investments as at December 31st 2007, with indication of the actual book value.

EUROPEAN BRAIN COUNCIL Depreciation		Year :	2007										
		Months :	12										
Office equipment	Date	L/D	Year	BS	Purchase	Verkoop	ES	BS	Depreciation	Afname	ES	2007	Book value
	Purchase							Depreciation	2.007,00	Depreciation			
Start balance		L	3	8.962,31			8.962,31	5.974,88	2.987,44		8.962,31		0,00
HP Photosmart C6180 AIO	25/10/2006	L	3	603,08			603,08	201,03	201,03		402,05		201,03
External network disk for back up	24/11/2006	L	3	399,70			399,70	133,23	133,23		266,47		133,23
HP 3390 Printer	23/10/2007	L	3		732,05		732,05		244,02		244,02		488,03
							0,00				0,00		0,00
				9.966,09	732,05	0,00	10.697,14	6.306,14	3.565,71	0,00	9.874,85		822,29
				9.966,09				6.306,14	3.565,71		9.874,85		822,29
				0,00				0,00					
							Balans	10.697,14			Balans	9.874,85	
							Verschil	0,00			Verschil	0,00	

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PROFIT & LOSS ACCOUNT

December 31st, 2007	PROFIT & LOSS ACCOUNT		EUROPEAN BRAIN COUNCIL	
Debit				Credit
EXPENSES	€		INCOME	€
Depreciation	3.565,71		Total incomings	696.057,26
Phone costs	2.738,04		Bank interest	16.733,06
Office costs	21.014,87			712.790,32
Fees	169.039,20			
Travel costs	35.852,49			
Restaurants	6.644,24			
Hotel	9.898,21			
Costs projects	119.920,00			
Bankcharges	584,85			
		369.257,61		
Withholding tax	2.509,96			
		2.509,96		
		371.767,57		712.790,32
Total expenditure :		371.767,57		
Total income :		712.790,32		
Total surplus :		341.022,75		

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Audit Result

In my opinion, the result of the financial year of 341.022,75 EUR and the balance sheet with a total of 830.405,47 EUR, listed in the accompanying annex, represent in all material respect the financial position of the European Brain Council at December 31st, 2007, with reservation of the following items :

- payment of 40.000 EUR on February 7th 2007
- payment of 79.920 EUR on March 7th 2007

These two amounts are taken into the profit&loss accounts based only on a bank statement.

The European Brain Council advised me that the amount of 40,000 EUR was the share of a project grant payment under a contract signed by European Health Economics and the European Brain Council with the European Commission (The 'RABRE' project). A copy of this contract is being obtained.

They also advise me that the amount of 79,920 EUR was a payment of fees for work done on a project which was not funded by the European Commission (The 'CUBE' project). European Health Economics no longer exists and efforts are being made to obtain a copy invoice.

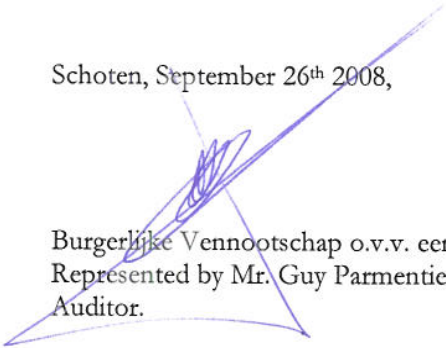
Until these documents are produced, I am unable to certify the reason for the payments and to whom they were paid.

The result of the audit conforms with the bookkeeping, within generally accepted accounting principles.

I conducted my audit in accordance with generally accepted auditing standards, which require that I plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. I believe that the audit provides a correct basis for the opinion expressed above.

Schoten, September 26th 2008,



Burgerlijke Vennootschap o.v.v. een BVBA PARMENTIER GUY
Represented by Mr. Guy Parmentier
Auditor.