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Independent auditor's report to Sallux 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 sccrl. 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") 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 Sallux (the "Entity"), that comprise 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 $\[\in \]$ 91.525 and of which the income statement shows a positive result for the year of $\[\in \]$ 1.639.

The positive result of the year, transferred to the reserve account, is used to reduce the losses carried forward. Accumulated losses (including the result of the year) amount to $\[mathbb{c}\]$ 1.509.

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 the Netherlands.

We have also audited the Final Statement of eligible expenditure actually incurred for the year ended 31 December 2017 in accordance with rules and regulations applicable to funding of political parties and political foundations at European level of Sallux.

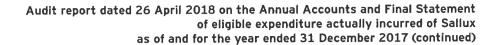
In our opinion, the Final Statement of eligible expenditure actually incurred of the Entity for the year ended 31 December 2017 is prepared, in all material respects, in accordance with rules and regulations applicable to funding of political parties and political foundations at European level

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.

Material uncertainty related to going concern

We draw attention to the Notes to the Annual Accounts. Notwithstanding the loss carried forward which impacts the Annual Accounts of the Foundation, the Annual Accounts are prepared under the assumption that the activities will be continued. This assumption is sustainable as long as the Foundation will receive financial support from the European Parliament or other financing sources. We draw your attention to the Notes in the Annual Accounts in which the Foundation justifies the application of accounting policies under the assumption of going concern. Our opinion is not modified in respect of this matter.

Emphasis of Matter - Basis of Accounting and Restriction on Distribution

We draw attention to Annex 2, 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 the Netherlands 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 quarantee 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 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



Audit report dated 26 April 2018 on the Annual Accounts and Final Statement of eligible expenditure actually incurred of Sallux as of and for the year ended 31 December 2017 (continued)

- 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 goingconcern 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 the Netherlands, 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 the Netherlands;
- The financial documents submitted by Sallux 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



Audit report dated 26 April 2018 on the Annual Accounts and Final Statement of eligible expenditure actually incurred of Sallux as of and for the year ended 31 December 2017 (continued)

of contracts and Article II.11 - Eligible expenditure, have been met.

Brussels, 26 April 2018

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

Danielle Vermaelen*

Partner

* Acting on behalf of a BVBA/SPRL

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Financial Report 2017

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General Information

Sallux (formerly CPFE)

The objectives of the association are to reinforce Christian politics on a European, national, regional and local level.

Sallux is an association (in Dutch vereniging zonder winstoogmerk) which has its seat in the municipality of Amersfoort (The Netherlands).

Amendment of the Articles

On May 22, 2014 the name of the association was changed from European Christian Political Foundation into Christian Political Foundation for Europe. And on December 5th 2016 the name was changed in Sallux, ECPM Foundation. At 11 April 2017 the statutes were changed to ensure alignment with the amended regulation for parties and foundations at European level. Sallux is now officially registered with the Authority for European political parties and foundations

Financial report 2016 approved

At the general assembly, held on , the financial report 2016 has been approved, including all small changes made with regard to EP services comments.

The result of the financial year 2016, a profit of € 2.246, has been added to the general reserve.

Board at December 31, 2017

Chairman: David fieldsend (since September 9, 2010) (since June 7, 2012) Treasurer: Walter van Luijk (since May 8, 2015) Secretary: Christophe Foltzenlogel (since March 25, 2013) Peter Danku Members: Antero Laukkanen (since March 25, 2013) (since May 8, 2014) Annelie Enochsson

Annelie Enochsson (since May 8, 2014)
Njoki Mahiaini (Since May 9, 2016
Silviu Rogobete (Since May 9, 2016)

Meetings in 2017

Sallux held in 2017 two general assemblies. At 11 April in Brussels and 27 June in Strassbourg

Furthermore the following major meetings took place:

International Lounge at Kongress Christliche Fuhrungskrafte, 23 - 25 February

Sallux in partnership with the Schuman Centre for European Studies arranged on the 8 and 9 May

in Valetta (Malta), 'The State of Europe Forum".

At 24 May Sallux organised the conference on 'Christian Mainstreaming' in the Sejm (Polish

3 Parliament)

In Brussels Sallux organized a conference about 'the future of Nineveh Plain' on June 28 & 29.

At 10-12 November Sallux and Hungarian Sallux members organised the conference on Christian

5 inspiration in Foreign Affairs

The board had meetings on 10 February, 11 April, 17 May, 27 September and 5 December.

Sallux events are registrated on the website www.sallux.eu

Audit

For the year 2017 an external auditor audited the annual accounts and issued an unqualified opinion.

Balance Sheet at December 31, 2017

Holiday allowance Credicard payable

Other liabilities

		201	7	201	6
		€	€	€	€
ASSETS					
	Fixed Assets Tangible Assets		7.943		3.140
	Current Assets				
	Inventories			1.562	
	European Parliament grant	62.033		65.205	
	Other Assets	15.010		14.124	
	Membership fees	= =	_	:#3	
			77.043		80.891
	Cash and cash equivalents				
	Rabobank 1537.31.095	5.893		1.342	
	Rabobank Savings account	17		1	
	Cash	=		<u> </u>	
	Paypall/Mypos	629		1.302	
			6.539		2.645
	8				
		-	04 525	121	96 676
		-	91.525	-	86.676
		201		201	
		€	€	€	€
LIABILITI	ES & EQUITY				
	Other reserves (specific EP	reserve)	1.509-		3.147-
	Current Liabilities				
	Creditors	17.109		17.266	
	Taxes	6.561		9.722	
	Short term loans	60.115		59.112	
	United at all among a	4.010		2 612	

4.818

4.276 154

91.525	86.676

93.034

3.613

109

89.823

Statement of Income and Expenditures

Statement of Income and Expenditures		Budget	
	2017	2017	2016
Revenue	€	€	€
D.2 European Parliament grant	310.164	360.000	326.023
D.3 Membership fees			
3.1 from member parties	10.164	20.000	12.150
3.2 from individual members	50	500	50
D.4. Donations			
4.1 above 500 EUR	51.525	20.000	40.500
4.2 below 500 EUR	2.707	5.000	1.621
D.5 Other own resources (to cover expenditure)	4.609	16.765	6.704
D.6 Contributions in kind	270 220	422.265	207.047
D. TOTAL REVENUE	379.220	422.265	387.047
Expenditure			
A.1: Personnel costs 1. Salaries	121.948	153,000	156.936
2. Contributions	121.540	133.000	4
3. Professional training	589	2.000	1.950
4. Staff missions expenses	36.162	25.000	30.733
5. Other personnel costs	9.582	7.000	7.894
A D. T. for almost one and an auditor cooks	168.280	187.000	197.513
A.2: Infrastructure and operating costs 1. Rent, charges and maintenance costs	10.004	11.500	10.088
2. Costs relating to installation, operation etc	1.770	3.000	3.108
3. Depreciation of movable and immovable prop.	2.609	1.500	1.311
4. Stationery and office supplies	1.485	1.000	909
5. Postal and telecommunications charges	5.701	4.000	4.288
6. Printing, translation and reproduction costs	1.138	1.000	11
7. Other infrastructure costs	23 22.729	22.000	19.714
A.3: Administrative expenditure			231727
1. Documentation costs (newspapers, press etc.)	4	500	*
2. Costs of studies and research	27.745	60.000	39.495
3. Legal costs	2.839	300	650
4. Accounting and audit costs	5.921	6.000	4.527
 Support to affiliated organisations etc. Miscellaneous administrative costs 	2.406	- 700	614
o. Miscellaticous administrative costs	38.915	67.500	45.285
A.4: Meetings and representation costs			
1. Costs of meetings of the political party	127.588	113.265	89.900
2. Participation in seminars and conferences	4.627	1.000	740
3. Representation costs	783	1.000	
Costs of invitations Other meeting-related costs	/63	1.000	974
5. Other meeting-related costs	132.999	116.265	91.614
A.5: Information and publication costs			
1. Publication costs	2.334	1.000	. =
2. Creation and operation of Internet sites	1.314	3.200	1.284
3. Publicity costs	6.843 747	25.000	28.346 301
Communications equipment (gadgets) Seminar and exhibitions	747	-	501
6. Election campaigns		-	=
7. Other information-related costs			
	11.238	29.200	29.930
A.6: expenditure relating to contributions in kind		-	8
A. TOTAL ELIGIBLE EXPENDITURE	374.160	421.965	384.057
B.1 Non-eligible expenditure			
1. Allocations to other provisions	1.5		7
2. Financial charges	413	300	184
Exchange losses Doubtful claims on third parties	95-		=
5. Others (to be specified)	3.102		560
B. TOTAL NON ELIGIBLE EXPENDITURE	3.421	300	744
C.TOTAL EXPENDITURE	377.581	422.265	384.801
RESULT to Other reserves (EP reserve)	1.639	-	2.246

Notes to Financial Statements

Statement of Accounting Policies

General

The accounting principles used are based on historical costs.

The financial statements have been prepared in accordance with the Guideline for annual reporting 640 'Not for-profit organisations' from the Dutch Accounting Standards Board.

The financial statements were prepared on March 27th 2018.

There were no changes in accounting policies.

The financial statements are prepared to assist Sallux to comply with Part B:

Financial Provisions of the grant award decision dated December 12th 2016.

Basis of Accounting

The accompanying financial statements are presented in accordance with the accrual basis of accounting, whereby, revenue is recognized when earned and expenses are recognized when incurred

Tangible fixed assets in use by the company are carried at the cost of acquisition net of accumulated depreciation.

Depreciation is calculated on a straight-line basis over their expected useful economic lives, taking into account their residual value.

Inventories are carried at the lower of cost and the recoverable amount.

Receivables are carried at face value net of a provision for doubtful debts where necessary.

Cash at bank and in hand are carried at face value.

Current liabilities are carried at face values.

The gross operating result represents the grant from the European Parliament, memberships fees, donations, other own resources and contributions in kind.

Interest income is recognised pro rata in the profit and loss account, taking into account the effective interest rate for the asset concerned.

Expenses are determined with due observance of the aforementioned accounting policies and allocated to the financial year to which they relate.

Interest is allocated to successive financial reporting periods in proportion to the outstanding principal.

Going Concern

The financial statements indicate that the Foundation incurred a net profit of \in 1.639.

During the year ended December 31, 2017 the Foundation's current liabilities exceeded its total assets by € 1.509.

These conditions indicate the existence of an uncertainty which may cast doubt about the Foundation's ability to continue as a going concern.

For the year 2018 the Authority awarded a grant of maximum € 418.968,82

Based on this grant and the expectation that adequate additional proceeds and intermediate financing can be obtained, the financial statements have been prepared om a going concern basis.

Notes to the balance sheet

Other reserves (specific EP reserve)

General reserve at January 1, 2017	3.147-
Generated in financial year 2017	1.639
General reserve at December 31, 2017	1.509-

Arrangements not shown in the balance sheet

According to Dutch law, the rental commitment for the coming year should be mentioned: Sallux has a rental commitment for office space until March 2020. The amount payable until March 15th 2020 is € 14.290.

Notes to statement of Income and Expenditures

The European Parliament grant is recognized for the full amount of the contract with the European Parliament for 2017.

This grant is based on an annual application. The provisions for this grant are laid down in the grant decision FINS-2017-26 dated on December 12, 2016.

The Final report over 2017 has been approved by the European Parliament on Oktober 3, 2017.

Analytical review of budget versus actual

The differences between budget and actual are:

- A.1. The salaries are lower because the 2017 Grant was lower than the 2016 Grant. Management has decided to not appoint a new staff, but to give the existing staff more hours.
- The costs for Publications (A.3.2.) are much lower than expected, because of the lower amount of the grant.
- The second fase of the rebranding was not executed, this is why A.5.3. is lower.

A.1.1. Salaries

According to Dutch law the costs of personell have to be split in:

	2017	2016
	€	€
Wages	91.454	104.206
Social sercurity premiums	16.443	19.931
Pensions	#	-
Other personell costs	14.051_	32.799
	121.948	156.936

The average number of staff (including interns) employed by the Foundation in 2017 was 2,0 (2016: 3,0).

D.3 Membership fees

3.1	from	member	parties
-----	------	--------	---------

ECLJ	500
Guido de Bresstichting (WI-SGP)	500
Groen van Prinstererstichting (WI-CU)	5.500
FICDD	æ
Coalitie voor Apostoliche Reformatie	1.000
FDA Ukraine	250
CDI Georgia	2.000
Barankovics Foundation	50-
KEESZ	50-
Keresztény Demokrata Fórum,	14
Jubilee Centre	500
	10.164

D.4.1. Donations above € 500

Acton Institute	USA	6.000
Foundation for Relief and Reconciliation	UK	2.500
Schuman Centre	Netherlands	600
Stichting Jubilee Campaingn NL	Netherlands	12.000
Institute for Global Eng	UK	1.466
Paul Chetkuti	Malta	600
FICDD	Netherlands	8.000
Nederlands Dagblad	Netherlands	709
Jubilee Campaingn USA	USA	9.900
Stichting Gave	Netherlands	750
World Evangelical Alliance	Germany	7.000
Bundnis C	Germany	2.000
		51.525

Annex 1 Members and associates at December 31, 2017

Organisation

Organisation

Kompassi
ECJ
CDI
Barankovics Foundation
KEES2
Keresztény Deriokrata Fórum
CAR
Groen vali Prinsterer
Guido de Bres
FICDD
IS Schuman Centire
WorldTeach
Pro Vita
Areopagus
Pro Pretania Arad
Foundation Centire
Vorlation
Company

ANNEX 2

Final statement of eligible expenditure actually incurred

EXPERIOTURE		
Eligible expenditure		
A.1: Parsonnel costs	Burtger	Actual .
1. Setanes	157,000,00	
2. Contributions	183 600,00	
3. Professional training	0,00	
Staff massion superass	25.000,00	
5 Other personnel coals	7,000,00	
A.2: Infrastructure and operating costs	-	-
1. Rent otherway and maintenance course	22,000,00	22,729,0
2. Costs retained to the inscription recentles and recent	11.500,00	10,003,7
	5,000,00	
Stationery and office turinism	1.500,00	
Posts and taleament of one change	1 000,00	1,464,7
Person, translation and reconstruction course	4,000,00	5.700,91
Other unfrastructure-com:	1.000,00	1.130,21
A.S: Administrative expenditure	9.00	22.50
Decumentation costs (horsespens) many assessed decisions	47.594,80	38.914,64
Costs of sludies and research	900,00	13,96
Lagal costs	00,000,00	27,744,86
Accounting and audit costs	300,00	2 809,30
Support to affiliated propriestions and suppings to their sections.	6.000,00	5.800,50
Miletalianeous actionality costs	0,00	0,00
.4: Meatings and representation costs	700,00	2,405.90
Costs of meetings of the Foundation	116,255,50	132,986,57
Participation in participate and positive con-	113,204,00	127,586,36
Representation costs	1.000,00	4,527,51
Cost of invitators	1,000,00	0,00
Other manifest extra	0,00	782,87
.5: information and publication posts	1.000.00	2.00
Publication code	29,200,00	11,238,34
Creation and coversor of Improve view	1,000,00	2.304,54
Publicity costs	2.202,00	1.313.85
Communications aguinment (manners)	25.000,00	6.843.36
Sommers and embolions	0,00	745,00
Election companiers ²	0,00	0,00
Other information-enlated-comm	0,00	0,00
8: Expanditure relating to contributions in kind	0,00	0.00
To Albandon by Mr.	0.00	0.00
7: Allocation to "Provision to cover eligible expenditure to be		
Curred in the first quarter of N+1*		20
TOTAL BUIGHT EXPONENTING		
1: Non-elipible expenditure	47 第5年	374 150 35
Allocations to other consistence	300,00	3,421,68
Financial charges	0,00	0,00
Exchange locous	300,00	412.45
Doubtly claims on trict parties	0,00	0,00
Out of period expenditure	6,00	-65.12
TOTAL HOW PLANELS EXPENDITURE	0,00	3 101 32
TOTAL PRESENTATIONS	300,00	3.420 58
THE RESERVE OF THE PARTY OF THE	407 385 (0)	377 551 656

E.f Allocation of own resources to the specific reserve account	6,00	1.600,91
H. Profitions for verifying compliance with the no-profit rule (G-H.1)?	9,00	0.00

Not applicable to policial foundations at European level

REVENUE		
	Bodger	Actual
D.1 Dissolution of "Provision to cover eligible costs to be incurred in the first quarter of N"."	/	1
0.2 European Parliament grant	360,000.00	-
0.2 Membership fess	20,500,00	
1.7 from member parties	20,000,00	
2.2 from individual members	500.00	
2.4 Danations	25-000-00	
.1 above 500 EUR	30:000,00	
L2 below 500 EUR	5 000,00	
0.5 Other own resources (to cover eligible expenditure) (to be listed)	16.785,00	4,800,36
local Sales	10-000.00	1.584
Testing Feas Harnel received	6.500.00	
stared received	265 00	
6 Contributions in kind	420	B.o.
	020 427 362 50	
HEVENUE (to cover eligible expenditure) I Additional other near resources (to cover non-		
6 Contributions in kind HEVENUE (to cover oligible expenditure) Additional other own resources (to cover non- plate expenditure) (to be listed)		
HEVENUE (to cover eligible expenditure) I Additional other near resources (to cover non-		

Walter van Luik 26/4/18

David Fieldse

Wester W