

**Euro-Mediterranean Foundation of
Support to Human Rights Defenders
Central Business Registration
No: 28 47 85 26**

**Vestergade 16, 2nd floor
DK-1456 Copenhagen K**

Annual Report 2015

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Foundation details

Foundation

Euro-Mediterranean Foundation of Support to Human Rights Defenders

Vestergade 16, 2nd floor

DK-1456 Copenhagen K

Central Business Registration No: 28 47 85 26

Registered in: Copenhagen

Established: 26 November 2004

Phone: +45 32 64 17 12

Fax: +45 32 64 17 02

Internet: www.emhrf.org

Board

Driss El Yazami, President

Christine M. Merkel, Vice-President

Eskil Trolle, Treasurer

Hanny Megally

Lynn Welchman

Bahey El Din Hassan

Kamel Jendoubi

Khémaïs Chammari

Leila Rhiwi

Bassma Kodmani

Souhayr Belhassen

Marc Schade-Poulsen


Programme Director

Anne-Sophie Schaeffer

Auditor

Deloitte Statsautoriseret Revisionspartnerselskab

Adopted, 1 April 2016



Eskil Trolle, Treasurer

Statement by Management on the annual report

The Board and the Programme Director have today considered and approved the annual report of Euro-Mediterranean Foundation of Support to Human Rights Defenders for the financial year 1 January to 31 December 2015.

The annual report is presented in accordance with the Danish Act on Foundations and Associations.

In our opinion, the financial statements give a true and fair view of the Foundation's financial position at 31 December 2015 and of the results of its operations for the financial year 1 January to 31 December 2015.

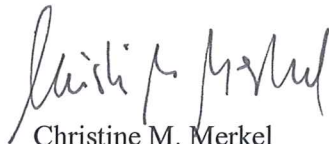
We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

Rabat, 1 April 2016

Board



Driss El Yazami
President



Christine M. Merkel
Vice-President



Eskil Trolle
Treasurer



Hanny Megally

Lynn Welchman



Bahey El Din Hassan



Kamel Jendoubi

Khémaïs Chammari

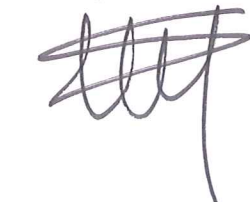


Leila Rhiwi

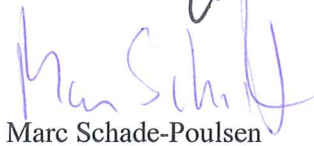


Bassma Kodmani

Souhayr Belhassen

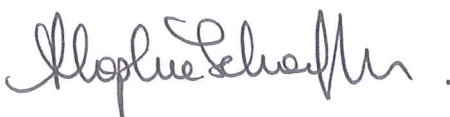


Marc Schade-Poulsen



Programme Director

Anne-Sophie Schaeffer



Independent auditor's reports

To the Board of the Euro-Mediterranean Foundation of Support to Human Rights Defenders Report on the financial statements

We have audited the financial statements of Euro-Mediterranean Foundation of Support to Human Rights Defenders for the financial year 1 January to 31 December 2015, which comprise the accounting policies, income statement, balance sheet and notes. The financial statements are prepared in accordance with the Danish Act on Foundations and Associations.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Act on Foundations and Associations and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Foundation's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Foundation's financial position at 31 December 2015 and of the results of its operations for the financial year 1 January to 31 December 2015 in accordance with the Danish Act on Foundations and Associations.

Statement on the management commentary

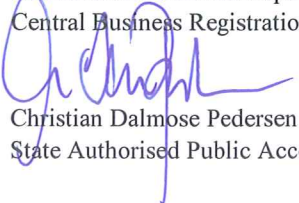
We have read the management commentary. We have not performed any further procedures in addition to the audit of the financial statements.

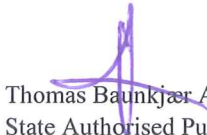
On this basis, it is our opinion that the information provided in the management commentary is consistent with the financial statements.

Copenhagen, 1 April 2016

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No 33 96 35 56


Christian Dalmose Pedersen
State Authorised Public Accountant


Thomas Baunkjær Andersen
State Authorised Public Accountant

Management commentary

In Management's opinion, all information material to the assessment of the Foundation's financial position, the results for the year and the financial development is disclosed in the financial statements and in this report.

After the balance sheet date, no significant events have occurred which are considered to have a material effect on the assessment of the financial statements.

Main activity

The Foundation aims at supporting human rights organizations and defenders in the Euro-Mediterranean region.

The Foundation is established as a legal independent entity in Denmark and the Board, the highest authority of the Foundation, consists of an equal number of EU and non-EU-resident members who fulfil their functions on a voluntary basis.

For further description of the activities, we refer to the "Annual Activity Report" which is published on the website (www.emhrf.org) or can be obtained at the office in Copenhagen.

The financial development and activities during 2015

The activities of the Foundation proceeded well and stabilized in 2015. Activities and services in support of human rights defenders accounted for 75 percent of the Foundation's overall budget whereas administrative and staff expenditure was capped at 25 percent. Profit for the year amounts to EUR 0.

The expected development

For the financial year 2016, Management expects activities to level 2015. The income statement is expected to show a profit of approx. EUR 0.

The Foundation has signed new contracts for its core operations with the Royal Danish Ministry of Foreign Affairs and the newly-established EU HRDs Mechanism for the year 2016. It also still benefits from core support from the Swedish International Development Cooperation Agency, the Sigrid Rausing Trust and the Norwegian Ministry of Foreign Affairs and from project support from the European Instrument for Democracy and Human Rights.

Accounting policies

Basis of preparation

This annual report has been prepared in accordance with the Danish accounting legislation, generally accepted Danish accounting principles and the provisions of the Danish Act on Foundations and Associations.

The accounting policy is unchanged compared to the previous year.

The annual report is presented in EUR. The Foundation has used the following rates when converting Swedish kroner (SEK) and Danish kroner (DKK) into euros (EUR):

Rate used DKK - EUR = 7.45

Rate used SEK - EUR = 9.41

Changes in presentation of income statement

The cost for bank fees in relation to grant giving has been specified and reported separately under activities in 2015. The 2014 comparative figures have not been restated.

Recognition and measurement

Assets are recognized in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Foundation and the value of the asset can be measured reliably.

Liabilities are recognized in the balance sheet when the Foundation has a legal or constructive obligation as a result of a prior event and it is probable that future economic benefits will flow out of the Foundation and the value of the liability can be measured reliably.

Income is recognized in the income statement when earned, whereas costs are recognized by the amounts attributable to this financial year.

Income statement

Operating income

Income is recognized as subsidies are received and used for the proper purpose. Subsidies are recognized when costs are recognized.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc. for the Foundation employees.

Accounting policies

Activities in Support of HRDs

Expenditure of Activities in Support of HRDs comprises grants to emergency support and strategic support to human right defenders, including related costs. Costs are recognized when the grant is approved by the Board of the Foundation.

Other expenses related to the activities

Other expenses related to the activities include expenses to membership fees, expenses regarding translations, etc.

Administration expenses

Administration expenses include expenses relating to the Foundation's ordinary activities, including expenses for premises, stationary and office supplies, IT support, audit fees, etc.

Financial income

Financial income comprises interest income and net capital gains on foreign currency transactions.

Financial expenses

Financial expenses comprise interest expenses and net capital losses on foreign currency transactions.

Income tax

Tax for the year, consisting of current tax for the year, is recognized in the income statement by the portion attributable to the taxable profit for the year.

Balance sheet

Debtors

Receivables are measured at amortized cost, usually equaling nominal value less write-downs for bad and doubtful debts.

Cash

Cash comprises bank deposits and cash in hand.

Provisions

Provisions comprise reserves for future payments of grants.

Obligations to grantees

Obligations to grantees do not comprise settlement amounts at the balance sheet date regarding grants not yet paid but approved by the Board.

Other liabilities

Other financial liabilities are measured at amortized cost which usually corresponds to nominal value.

Income statement for 2015

	Notes	2015 EUR	2014 EUR
Subsidies taken to income	1	1,994,335	1,997,687
Support granted from provisions	7	26,789	20,000
Contribution, other		0	100
Total operating income		2,021,124	2,017,787
Salaries			
Programme Director		65,471	74,463
Maternity replacement – Programme Director		20,595	0
Regional Consultant Maghreb		25,303	24,806
Regional Consultant Mashreq		0	27,234
Regional Coordinator Maghreb		25,604	21,746
Regional Coordinator Mashreq		53,823	60,554
Head of Unit Administration and Finances		71,540	72,044
Administrative Officer		43,265	49,537
Regional Assistant Mashreq		53,984	8,587
Regional Assistant Maghreb		5,090	0
Interns and students		8,412	8,566
In-house accountant		19,913	20,689
Social charges		3,015	3,624
Total salaries		396,015	371,850
Activities in Support of Human Rights Defenders (HRDs)			
Emergency support to HRDs		227,301	357,238
Strategic support to HRDs		1,144,197	1,047,069
Financial costs related to grant giving		12,434	0
Follow-up on support to HRDs		18,817	25,435
Board meetings		37,701	47,519
Meeting with partners (incl. fundraising)		16,367	17,921
Consultation of the Council of Representatives		26,727	0
Total activities in support of HRDs		1,483,544	1,495,182

Income statement for 2015

	<u>Notes</u>	<u>2015 EUR</u>	<u>2014 EUR</u>
Other Expenses/Services related to the activities			
Membership fees to Foundation's networks		2,603	1,739
Temporary consultations/Researchers contributions		0	454
Translations		20,474	16,842
Information, publication		1,548	1,865
External evaluation		0	0
Total other expenses/services		<u>24,625</u>	<u>20,900</u>
Administration			
Audit		8,386	17,312
Maintenance of a secure forum and website		8,555	2,517
IT support		8,057	6,270
Rent		35,824	28,921
Office expenses and stationary		25,910	25,736
Bank fees related to administration and salaries		5,190	18,459
Navision 2013 – financial software		1,077	8,528
Others		20,153	25,078
Total administration		<u>113,152</u>	<u>132,821</u>
Profit before financial items		3,788	-2,966
Financial income	2	0	3,066
Financial expenses	3	3,788	0
Operating profit		<u>0</u>	<u>100</u>
Tax		0	0
Profit for the year		<u>0</u>	<u>100</u>
Proposed distribution of profit			
Distributable capital		0	100
		<u>0</u>	<u>100</u>

Balance sheet at 31 December 2015

	<u>Notes</u>	<u>2015 EUR</u>	<u>2014 EUR</u>
Cash at bank, basic capital	4	41,321	41,321
Restricted assets		<u>41,321</u>	<u>41,321</u>
Debtors	5	294,098	166,734
Cash at bank and in hand	4	480,951	854,935
Available assets		<u>775,049</u>	<u>1,021,669</u>
Assets		<u>816,370</u>	<u>1,062,990</u>

Balance sheet at 31 December 2015

	<u>Notes</u>	<u>2015 EUR</u>	<u>2014 EUR</u>
Basic capital	6	41,321	41,321
Distributable capital	6	14,126	14,126
Equity		<u>55,447</u>	<u>55,447</u>
Provisions for grant support allocated	7	20,000	46,789
Provisions		<u>20,000</u>	<u>46,789</u>
Obligations to grantees		613,487	836,083
Other liabilities	8	127,436	124,671
Current liabilities		<u>740,923</u>	<u>960,754</u>
Total liabilities		<u>740,923</u>	<u>960,754</u>
Equity and liabilities		<u>816,370</u>	<u>1,062,990</u>

Notes

	2015 EUR	2014 EUR
1. Subsidies taken to income		
Swedish International Development Cooperation Agency	325,989	456,701
European Commission (EIDHR), Egypt	272,942	0
European Commission (EIDHR)	0	392,014
European Commission (NEAR), Syria	130,888	0
European Commission (Ad-hoc grants)	4,472	5,400
EU HRDs Mechanism, project support	58,535	0
Royal Danish Ministry of Foreign Affairs	268,457	268,456
French Ministry of Foreign Affairs	0	40,000
Open Society Foundations (Tunisia)	173,457	0
Open Society Foundations (Syria)	376,213	251,599
Sigrid Rausing Trust	203,580	267,708
Urgent Action Fund for Women HRDs	2,542	0
Norwegian Ministry of Foreign Affairs	177,260	151,376
Oxfam/Novib	0	162,607
Canadian Ministry of Foreign Affairs	0	1,826
	1,994,335	1,997,687
	2015 EUR	2014 EUR
2. Financial income		
Currency adjustments	0	3,066
Total financial income	0	3,066
3. Financial expenses		
Interest expenses, banks	42	0
Currency adjustments	3,746	0
Total financial expenses	3,788	0

Notes

	2015 EUR	2014 EUR	
4. Cash at bank and in hand			
Jyske Bank A/S 8751 1188126	41,321	41,321	
	41,321	41,321	
Jyske Bank A/S 8751 118883-7	187,923	275,618	
Jyske Bank A/S 8751 120070-7	262,922	0	
Jyske Bank A/S 8751 102123-8	402	365,283	
Jyske Bank A/S 8751 103416-5	621	144,929	
Jyske Bank A/S 8751 105732-3	22	33	
Jyske Bank A/S 8751 110139-4	6,187	954	
Jyske Bank A/S 8751 122150-5	735	64	
Jyske Bank A/S 5078 116990-4	970	0	
Paris Bank EUR 41020034974	16,030	46,197	
Petty cash	5,139	21,857	
	480,951	854,935	
	2015 EUR	2014 EUR	
5. Debtors			
European Commission (EIDHR)	0	108,002	
European Commission (Egypt)	88,665	0	
European Commission (Syria)	130,888	0	
European Commission (Consortium)	58,535	0	
York University	14,918	0	
Swedish International Development Cooperation Agency	0	56,767	
Year-end debtors	1,092	1,965	
	294,098	166,734	
6. Equity			
The movements in equity are specified as follows:	Basic capital EUR	Distributable capital EUR	Total capital EUR
Equity at 1 January 2015	41,321	14,126	55,447
Profit for the year	0	0	0
Equity at 31 December 2015	41,321	14,126	55,447

Notes

	2015	2014
	EUR	EUR
7. Provisions for grant support allocated		
Provisions at 1 January 2015	46,789	66,789
Support granted in 2015	-26,789	-20,000
	20,000	46,789
8. Other liabilities		
Swedish International Development Cooperation Agency	32,612	0
European Commission (Ad hoc Grants)	8,528	0
Open Society Foundations	0	26,721
Due income tax and social charges	12,776	15,724
Reserve holiday payment	29,647	29,297
EuroMed Rights	20,718	20,598
Audit	9,700	15,517
Others	13,455	16,814
	127,436	124,671
Swedish International Development Cooperation Agency	SEK	EUR
Balance at 1 January 2015	-534,019	-56,767
Received from SIDA 9 April 2015	3,963,130	421,289
Spent in 2015	-3,066,628	-325,989
Other adjustments regarding 2014	-55,700	-5,921
Balance at 31 December 2015	306,783	32,612