

European Democracy Consulting Stiftung

Statement of accounts

Financial year 2023 (1 Jan.-31 Dec.)

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Context

The European Democracy Consulting Stiftung (hereafter, “the association”) was created at its founding meeting on 23 June 2023. It was subsequently registered with Austrian authorities on 26 July.

The Board meetings of 20 and 28 August appointed, respectively, Mr Maxime Drounau and Mr François-Régis Drounau as auditors of the association for the financial year 2023.

Following its inception, the association started receiving donations, and in-kind contributions and free services. Conversely, it occurred expenses linked to its registration and operations. These income and expenses are detailed in the sections below.

At first, financial transactions of the association were carried out using the bank account of European Democracy Consulting. In December, the association opened its own bank account and all financial assets held on the bank account of European Democracy Consulting were transferred to the own account of the association.

In December, the association started raising funds via the crowdfunding platform BetterPlace.org, located in the Germany. This is enabled by the Maecenata Stiftung, also located in Germany, which has a partnership with BetterPlace.org; the Maecenata Stiftung collects donations made via BetterPlace.org and transfers them to charitable entities abroad, such as the association. This

process is required, as BetterPlace.org can otherwise only broadcast projects of German non-profit organisations.

Finally, on 23 December, the association signed a contract with TULP Interactive to develop additional features for the European Party Funding Observatory for a total value of € 15,375. The contract includes an initial payment of € 1,000; further payments will be required only after the Board explicitly requests items to be developed and the deliverables are provided.

Income and expenses

Income

In the financial year 2023, the income received by the association stemmed exclusively from private sources. This income was made up of financial donations, and in-kind contributions and free services, and for a total amount of € 13,932.06.

Type of income	Amount	Share
Donations (incl. fees)	€ 2,466.79	17.7%
In-kind contributions and free services	€ 11,465.27	82.3%
Total	€ 13,932.06	

Donations

The association received financial donations from private individuals and from legal entities, for a total amount of € 2,518.42.

Origin of donations	Amount	Share
Private individuals (incl. fees)	€ 648.37	26.3%
Legal entities	€ 1,818.42	73.7%
Total	€ 2,466.79	

Donations from private individuals were made via the crowdfunding platform BetterPlace.org. Eight such donations were made, for a total amount of € 700.00. These donations are earmarked for the development of the European Party Funding Observatory. Fees from BetterPlace.org and the Maecenata Stiftung will apply when these donations are withdrawn from the crowdfunding platform; these fees are estimated around € 51.63 (€ 17.51 for BetterPlace.org, € 34.13 for the Maecenata Stiftung).

The association also received financial donations from three legal entities, for a total of € 1,818.42:

- European Democracy Consulting, a private company, made a € 100.00 donation following the set up of the association;
- EuropeanConstitution.eu, a French non-profit organisation, made a legacy donation of € 718.42 on the condition that the association cover the costs of keeping its website running for a period of at least two years; and

- Volt There, a political foundation based in the Netherlands, made a donation of € 1,000.00 earmarked for the development of the European Party Funding Observatory's funding simulator. As of 31 December 2023, the donation has not been received on the bank account of the association and is recorded as amount payable.

In-kind contributions and free services

The association received in-kind ontributions and free services for a total amount of € 11,465.27.

Origin/nature of in-kind contribution/ free service	Amount	Share
EDC – online hosting	€ 24.18	0.2%
EDC – CDN	€ 2.79	0.0%
EDC – domain names	€ 38.30	0.3%
EDC – EPFO (first version)	€ 11.400	99.4%
Total	€ 11,465.27	

These in-kind ontributions and free services were all provided by European Democracy Consulting and comprised:

- Free online hosting for European Party Funding Observatory and association page on EDC website (July-December 2023): € 4.03 x 6 = € 24.18;
- Free CDN services for European Party Funding Observatory and EuropeanConstitution (October-December): € 1.08 x 3 = € 2.79¹;
- Four domain names: € 38.30;
 - epfo.eu, until 16/04/2024: €11.59;
 - euparties.eu, until 17/11/2023: €6.55;
 - europeanpartyobservatory.eu, until 17/11/2023: €6.55;
 - openparties.eu, until 04/06/2024: €13.61; and
- European Party Funding Observatory: € 11,400.00.

The value of free services is calculated “at arms’ length”, as if the association had had to incur these costs by itself.

Likewise, the value of the European Party Funding Observatory is based on the development costs stemming from EDC’s contract with data transcribers (€ 900.00) and with the web developer for the first version of the Observatory (€ 10,500.00).

Categorisation of income

By law, the association is required to list, in its statutes, its potential sources of income. Article 3.3 lists the following potential sources of income:

1. membership fees and membership dues
2. subsidies and grants
3. donations, collections, legacies and other contributions

¹ 3 x \$ 1 with an average rate of € 1 = \$ 1.076

4. contributions in kind and free services
5. proceeds from association events
6. sponsorship money

In line with the information provided above, the income of the association can therefore be categorised as follows:

Categories of income	Amount	Share
Donations (incl. fees)	€ 2,466.79	17.7%
In-kind contributions and free services	€ 11,465.27	82.3%
Total	€ 13,932.06	

Expenses

In the financial year 2023, the expenses incurred by the association derived from its registration and administrative functioning, and from its operations. These amounted to € 1178.39.

Type of expenses	Amount	Share
Registration and administrative functioning	€ 44.20	3.8%
Banking fees	€ 31.84	2.7%
Operations	€ 1,102.35	93.5%
Total	€ 1,178.39	

Registration and administrative functioning

The association paid € 44.20 for its registration and administrative functioning:

- on 19 July, the association paid € 22.10 to the Landespolizeidirektion for its registration as an Austrian *verein* (non-profit organisation); and
- on 10 November, the association paid another € 22.10 to the Landespolizeidirektion for the modification of its statutes.

Banking fees

The association paid €31.84 to Bank Austria in banking fees:

- € 22.14 for its bank account for the month of December.
- € 9.7 for a denied SEPA direct debit to STRATO AG. The matter was resolved in late December and the charge reversed on 2 January 2024; this reimbursement is therefore recorded as accounts receivable.

Operations

The association paid 1102.35€ for its operations to STRATO AG and TULP Interactive. This includes:

- To STRATO AG:
 - An extra database to run the analytics service of the European Party Funding Observatory for one year: € 1.008 x 12 = € 12.10;
 - An SSL certificate for the European Party Funding Observatory's domain (epfo.eu) for six months: €0.504 x 6 = € 3.02; and
 - Fees relating to the transfer and continuation of the EuropeanConstitution.eu website: € 87.23.²
- To TULP Interactive:
 - An initial payment of € 1,000.00 for the development of additional features to the European Party Funding Observatory. As of 31 December, the payment had not been made and was therefore recorded as accounts payable.

Categorisation of expenses

By law, the association is required to list, in its statutes, the “idealistic means” by which it fulfills its purpose – i.e. the tasks it is allowed to carry out and, therefore, spend its resources on. Article 3.2 lists the following idealistic means:

1. carrying out research work
2. issuing of publications
3. creation of websites
4. public relations
5. lectures and meetings
6. discussion events

In line with the information provided above, the expenses of the association can therefore be categorised as follows:

Categories of expense	Amount	Share
<i>Administrative expenses and charges</i>	€ 76.04	6.5%
Creation of websites (#3)	€ 1,102.35	93.5%
Total	€ 1,178.39	

² This expense could also have been recorded as a decrease of the legacy donation made by EuropeanConstitution.eu. However, this would have been meant a net negative donation in future financial years, which might lead to confusion. At any rate, the continuation of the europeanconstitution.eu website is in line with the association's purpose to “advance the science and research related to European institutions and democracy”, as well as with its idealistic means. The payment for the month of December was carried out in early January and is therefore recorded as accounts payable.

Assets and liabilities

Assets

As of 31 December, the assets of the association amounted to € 13,710.70.

Assets	Amount	Share
Current assets	€ 2,302.13	16.8%
Long-term assets	€ 11,408.57	83.2%
Total	€ 13,710.70	

Current assets

As of 31 December, the current assets of the association amounted to € 2,302.13.

Current assets	Amount	Share
Cash in checking	€ 644.06	28.0%
Accounts receivable	€ 1,009.70	43.9%
Pledges receivable	€ 648.37	28.2%
Total	€ 2,302.13	

The bank account of the association held € 644.06.

The association had € 1,009.70 in accounts receivable:

- € 9.70 for the reimbursement of a banking fee by Bank Austria; and
- € 1,000.00 for a donation by Volt There.

The association had received € 648.37 in pledges receivable (€ 700.00 in donations held by the crowdfunding platform BetterPlace.org, minus € 51.67 in fees for the BetterPlace.org and the financial intermediary, the Maecenata Stiftung).

Long-term assets

As of December, the long-term assets of the association amounted to € 11,408.57.

Long-term assets	Amount	Share
Building and immaterial long-term assets	€ 11,400.00	99.9%
Furniture	€ 8.57	0.1%
Total	€ 11,408.57	

The Observatory was estimated at its building cost, € 11,400.00.

The association also held furniture comprised of its domain names, amounting to € 8.57:

- epfo.eu until 16/04/2024; and
- openparties until 04/06/2023

Liabilities

As of 31 December, the liabilities of the association amounted to € 1,004.03.

These liabilities were comprised of:

- € 1,000.00 to be paid to TULP Interactive, as initial payment for the contract signed in December; and
- € 4.03 to be paid to STRATO AG for the month of December; this payment was made in January.

Annexes

The following documents are provided in annexes:

- statement of financial position;
- statement of activities; and
- statement of cash flow.

Place: Vienna
Date: 7 January 2024
Signatories:

Louis Drounau
Obmann



Stefanie Errath
Treasurer

