



FINANCIAL CONTROL – FLOW CHART

Foundation's General Assembly - Overall control of political direction, approval of the grant application, budget, closure of accounts



Foundation's Board of Directors - Day-to-day control of budget, work program and its' implementation



Foundation's Secretary General/Treasurer - Approves contracts and authorizes payments



Foundation Secretariat - Processes all invoices, payments and receipts



BDO International (Accountant) - Loads invoices/payments onto the 'Winbooks' system and verifies the inputs of the Foundation



ACCOUNTING POLICY & PROCEDURES 2017

OVERVIEW

"New Direction – The Foundation for European Reform FPEU" (hereafter referred to as "The Foundation") is a European political foundation that does not pursue profit goals, is an entity which: (i) is formally affiliated with The Alliance of Conservatives and Reformists in Europe (hereafter referred to as "ACRE"), which (ii) is registered with the Authority for European Political Parties and Foundations ("Authority") in accordance with the conditions and procedures laid down in Regulation Number 1141/2014 ("the Regulation") of the European Parliament and of The Council of 22nd October 2014 on the statute and funding of European political parties and European political foundations, and the provisions of Title I, Chapter I, and of Title III quater of the Belgian Law of 27 June 1921 regarding non-profit associations, international non-profit associations and foundations, European political parties and European political foundations ("the Law").

The Foundation adheres to the highest standards of financial prudence, management and transparency, and in strict compliance with the provisions laid down in the Regulation and the Law.

AUDIT

New Direction is audited each year by Ernst & Young, who have been appointed by the European Parliament. New Direction prepares a full set of accounts and supporting documents in advance of the audit.

MANAGEMENT ACCOUNTING

The Foundation contracts the services of BDO International, a Brussels based worldwide professional services network of public accounting experts, to arrange the financial reporting of The Foundation.

In addition, BDO also carry out the administering of our 'Winbooks' accounting programme. BDO also carry out monthly visits to the offices of the Foundation to calculate our quarterly VAT liability, administer payroll (through SD Worx) and ensure that the Foundation is compliant with Belgian fiscal and social legislation.

In advance of the Foundation's audit and year-end closure report, BDO International provides a full set of management accounts and the necessary financial reporting services.

BOOKKEEPING

The Foundation's Treasurer, supported by the secretariat checks compliance and validity, VAT status and other relevant criteria. The Secretariat designates internal project codes and ensures invoices and documents are filed properly. The accountant loads invoices/payments onto the 'Winbooks' system.