

Ref. Agenda: IV.1.1

FOR INFORMATION

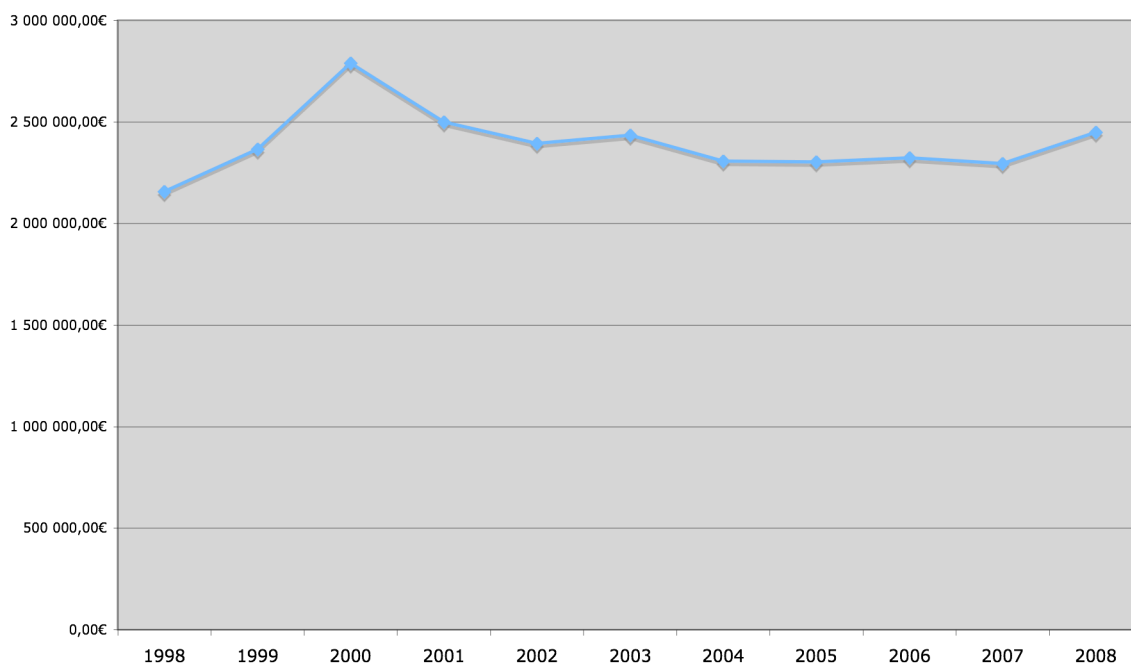
English only

The following document is based on the budget, which gives each year an overview of the AER resources and planned expenditures. It does not review the Annual Accounts, which are a picture of the credit and debits of the association at a given time.

## AER BUDGET

### I) OVERALL BUDGET TRENDS SINCE 1998

**AER budget trend (1998-2008)**



The increase trend that can be observed in 1999 and 2000 can be explained by two main factors:

- (1) The expected amount of collected membership fees rose by 8,24% in 1999 and by 18,17% in 2000. It decreased of 10,53% in 2001.
- (2) Alsace attributed an operating grand of 30.490 EUR to the AER for the first time in 1999

II) AER EXPENSES are structured as follows<sup>1</sup>:

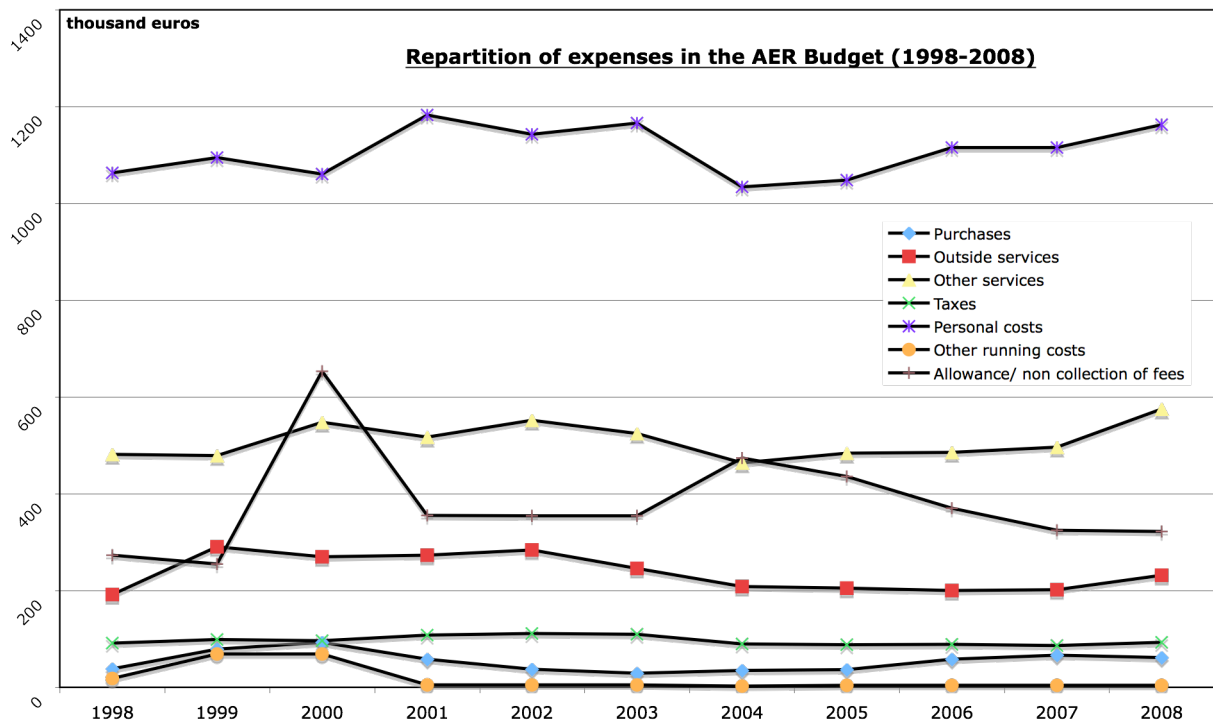
DRAFT BUDGET 2008	BUDGET 07	BUDGET 08	% variation
<b>I EXPENDITURE</b>	<b>2 294 254</b>	<b>2 448 877</b>	<b>6,74%</b>
<b>60. PURCHASES</b>	<b>66 100</b>	<b>61 200</b>	<b>-7,41%</b>
605000 Refurbishment	0	0	0,00%
606110 Electricity	5 800	4 500	-22,41%
606120 Gas	9 600	6 000	-37,50%
606130 Water	1 200	1 200	0,00%
606300 Equipment	21 000	21 000	0,00%
606400 Office supplies	20 000	20 000	0,00%
606401 Photocopies	7 000	7 000	0,00%
606800 Other materials and supplies	1 500	1 500	0,00%
<b>61. OUTSIDE SERVICES</b>	<b>201 300</b>	<b>231 300</b>	<b>14,90%</b>
611000 Centurio	4 000	4 000	0,00%
611100 Summer School	8 000	8 000	0,00%
611200 Youth Team	3 600	3 600	0,00%
611300 Scholarship	0	0	0,00%
611400 Eurodyssey	21 000	21 000	0,00%
611500 Strategic action for the Regions	28 500	48 500	70,18%
612200 Leases	18 000	21 000	16,67%
613500 Rent and charges	81 000	90 500	11,73%
615400 Office up-keep	16 200	14 000	-13,58%
615600 Maintenance and odd jobs	5 000	5 000	0,00%
615601 Maintenance contracts	6 500	7 000	7,69%
616100 Insurance	6 500	5 700	-12,31%
617000 Studies and research	0	0	0,00%
618100 General documentation	3 000	3 000	0,00%
<b>62. OTHER OUTSIDE SERVICES</b>	<b>496 300</b>	<b>574 900</b>	<b>15,84%</b>
621100 Temporary staff	7 400	8 500	14,86%
622601 External translations	25 000	25 000	0,00%
622607 Interregional organisations	7 000	7 000	0,00%
622608 Interpreters for Presidium meetings	15 000	15 000	0,00%
622609 Interpreters Bureaux	21 000	21 000	0,00%
622611 Interpreters General Assembly	25 000	25 000	0,00%
622610 Committees	120 400	120 400	0,00%
622620 Miscellaneous honoraria	30 000	50 000	66,67%
622800 Intervention fund	5 000	5 000	0,00%
623100 Press and Communications policy	38 000	38 000	0,00%
623800 Miscellaneous management costs	2 000	2 000	0,00%
625100 Travel expenses	105 000	120 000	14,29%

<sup>1</sup> Excerpt from the AER Budget proposal for 2008

625101 Third party travel expenses	20 000	25 000	<b>25,00%</b>
625600 Meeting costs	5 000	5 000	<b>0,00%</b>
625700 Receptions - welcoming delegations	5 000	6 500	<b>30,00%</b>
626000 Postage	28 000	30 000	<b>7,14%</b>
626200 Telephone-Fax-E-mail	28 000	35 000	<b>25,00%</b>
626300 Internet-Intranet	5 000	32 000	<b>540,00%</b>
627000 Bank charges	4 500	4 500	<b>0,00%</b>
<b>63. TAXES</b>	<b>86 270</b>	<b>92 600</b>	<b>7,34%</b>
631100 Tax on salaries	70 270	76 600	<b>9,01%</b>
633300 Staff training	16 000	16 000	<b>0,00%</b>
633400 Employers'part. in cons.	0	0	<b>0,00%</b>
<b>64. PERSONNEL COSTS</b>	<b>1 115 300</b>	<b>1 162 731</b>	<b>4,25%</b>
641100 Salaries-paid leave-bonuses	778 000	813 000	<b>4,50%</b>
645100 URSSAF	215 000	223 000	<b>3,72%</b>
645300 IRIAL	26 000	27 000	<b>3,85%</b>
645330 IPRIAL- GESCOPI	52 000	53 831	<b>3,52%</b>
645400 ASSEDIC	27 000	28 300	<b>4,81%</b>
647300 Luncheon vouchers	16 000	16 000	<b>0,00%</b>
647500 Work medicals	1 300	1 600	<b>23,08%</b>
<b>65. OTHER RUNNING COSTS</b>	<b>4 500</b>	<b>4 500</b>	<b>0,00%</b>
658600 Brussels office	2 500	2 500	<b>0,00%</b>
658700 Alba Satellite	2 000	2 000	<b>0,00%</b>
<b>68. ALLOWANCE/NON COLLECTIONS FEES</b>	<b>324 484</b>	<b>321 646</b>	<b>-0,87%</b>
681740 All. non payment of subscriptions	324 484	321 646	<b>-0,87%</b>
686800 Reserve Funds	0	0	<b>0,00%</b>
687500 All. for risks & exceptional expenditure	0	0	<b>0,00%</b>

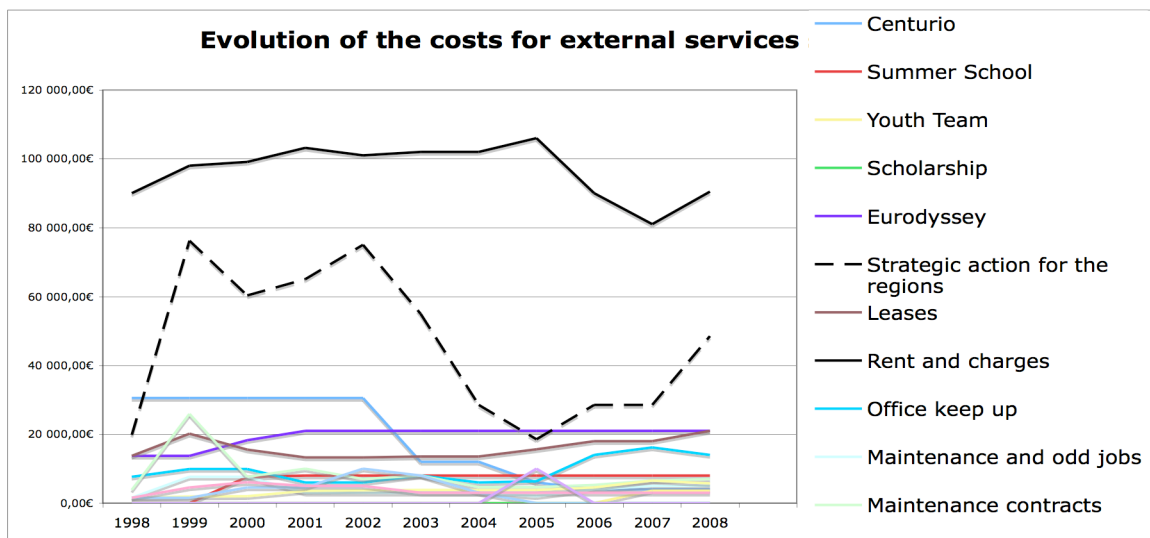
Each budget proposal gives the variation of each budget line, as compared to the previous year's budget.

The following graphic gives you an overview of the evolution of each line over time:



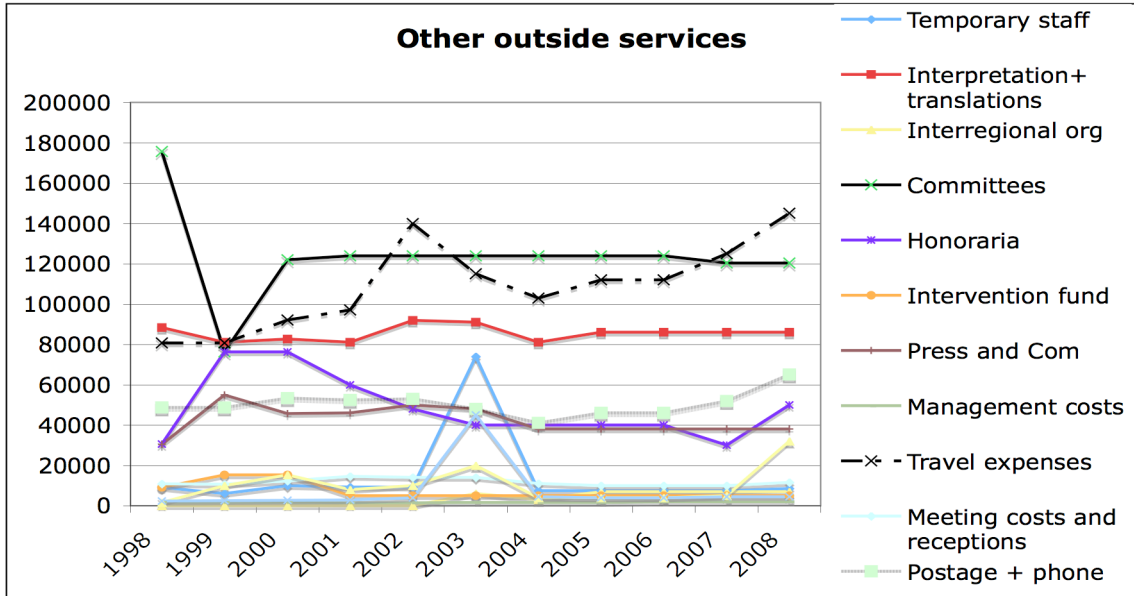
The evolution of expenses within these lines is detailed hereunder<sup>2</sup>:

- Purchases:** Electricity, Gas, Water, Equipment, Offices supplies, photocopies, other materials and supplies
- Outside services:** Centurio, Summer Schools, Youth Team, Eurodyssée, Strategic action for the regions, leases, rent and charges, office up-keep, Maintenance and odd jobs, maintenance contracts, insurance, General Documentation

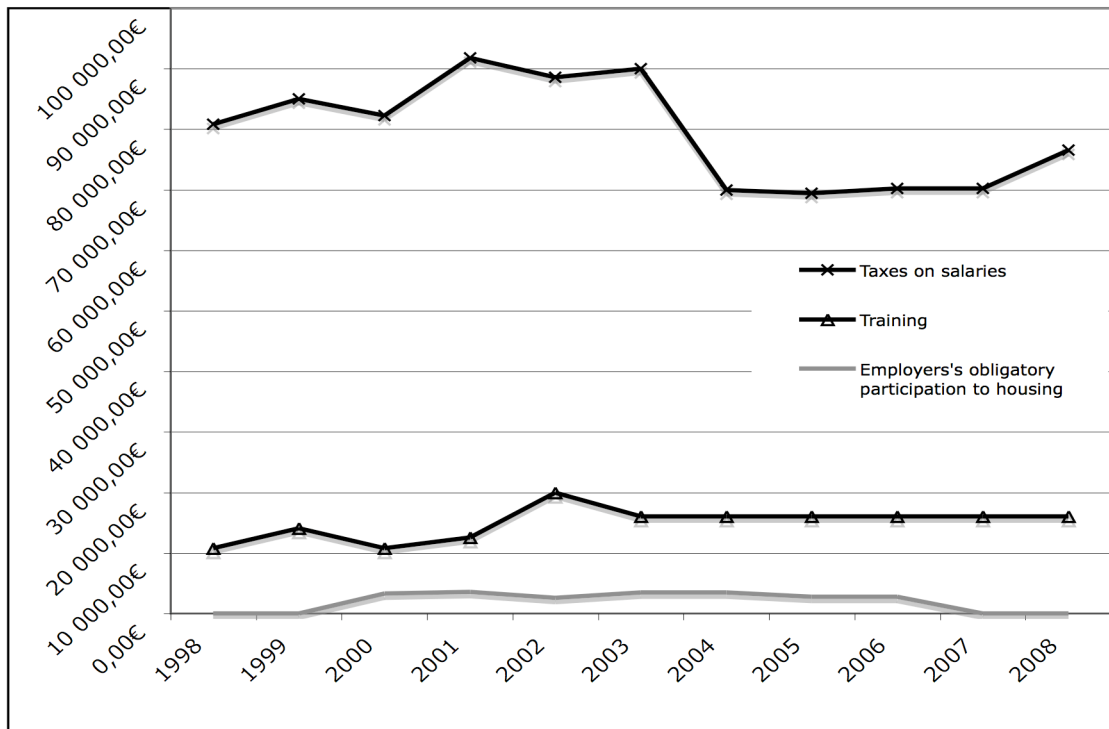


<sup>2</sup> Budget lines, for which no expenses are planned in 2008 are not listed. Please refer to the table on the previous pages for an extensive overview of these lines.

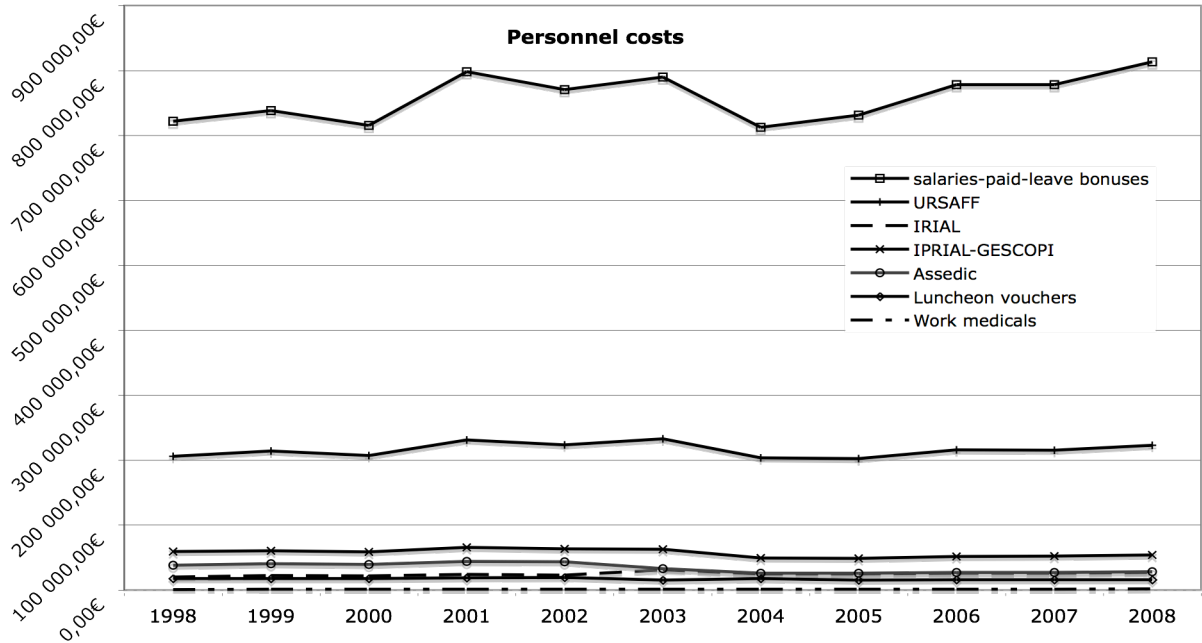
(3) **Other outside services:** temporary staff, external translations, interregional organisations, Interpreters for Presidium meetings, Interpreters for Bureau meetings, Interpreters for General Assembly, Committees, Misc honoraria, Intervention fund, Press and Communication policy, Misc management costs, travel expenses, third party travel expenses, meeting costs, Receptions, postage, Telephone-fax-emails, Internet-Intranet, bank charges



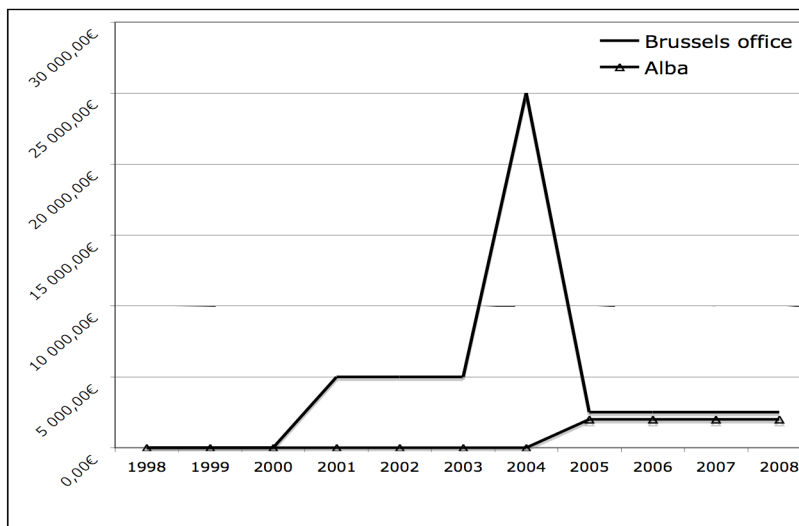
(4) **Taxes:** taxes on salaries, staff training, employer's obligatory contribution to housing (1999-2006)



(5) **Personnel costs:** salaries-paid-leave bonuses, URSSAF (*maternity leaves, sickness leaves, work-related accidents, compulsory participation for retirement indemnities*), IRIAL (*complementary retirement indemnities chosen by AER*), IPRIAL-GESCOPI (*additional health insurance and special retirement fund for executive staff*), Assedic (*contribution to national unemployment funds*), Luncheon vouchers, work medicals (*yearly visit for each staff member*)



(6) **Other running costs:** Brussels' office and Alba Satellite



Each year during the General Assembly, AER members are asked to vote on the budget, i.e. on the allocation of the given resources to specific purposes.