

Company Registration No. 06433321 (England and Wales)

EUCLID NETWORK
(LIMITED BY GUARANTEE)
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

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**EUCLID NETWORK
(LIMITED BY GUARANTEE)
COMPANY INFORMATION**

Directors

D Lopez
J Low
F Kron
C Azevedo
P Sporar
E Varga
A Mestre (Appointed 11 December 2015)

Secretary

S Barnett

Company number

06433321

Registered office

Southbank Technopark
90 London Road
London
SE1 6LN

Auditors

Glazers
843 Finchley Road
London
NW11 8NA

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EUCLID NETWORK (LIMITED BY GUARANTEE) DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2016

The directors present their report and financial statements for the year ended 31 March 2016.

Principal activities

The principal activity of the company continued to be that of developing, connecting and supporting third sector leaders in Europe so that: their organisations pursue a defined mission; are professional and passionate; are well-led; are well-governed and accountable; and are innovative.

The company is a non profit making organisation limited by guarantee without share capital.

The principal activities of Euclid Network in 2015-16 financial year were spread across four themes: social innovation; research & development; social entrepreneurship; and civic engagement.

SOCIAL ENTREPRENEURSHIP

EN organized a round table in Brussels to bring together its Europe-wide social enterprise membership network and EU officials and experts. It subsequently presented a set of recommendations to the European Commission and wider stakeholders. EN is now its seventh year of leading a Europe-wide consortium (Social Entrepreneur Exchange & Development) which facilitates placements of new/emerging social entrepreneurs with experienced social entrepreneurs, funded by the European Commission. In 2015-16 the consortium helped to organise 49 matches. SEED EURO-MED aims to expand opportunities for exchanges among social entrepreneurs to the Mediterranean countries. Under a new project on women's economic empowerment ("WeGO"), EN has begun to explore the potential of social entrepreneurship to empower vulnerable women.

LEADERSHIP SKILLS

EN delivered a seminar on leadership in Barcelona in alliance with members of its leadership programme and then captured the results in a presentation on leadership for the third sector. It then organized the Euclid Summit 2016 in Zagreb with high-profile local and international partners, where masterclasses and keynotes presented key future skills for social entrepreneurs and third sector leaders. It also began a new peer exchanges project between Hungary, the UK and the US and in the first phase carried out a needs assessment on Hungarian civil society and social enterprise organizations.

SOCIAL INNOVATION IN EUROPE

Social Innovation Europe is an official European Commission website run by a consortium including EN. EN animated and managed this interactive web-based networking and resource "hub" with a special focus on social innovation funding opportunities. In June 2014, the European Social Innovation Prize Competition concluded with an Academy organized by EN in London for the finalists.

RESPONSIBLE RESEARCH & INNOVATION

The Responsible Industry project continued to investigate civil society engagement in research & development in the area of ICT for ageing, health and wellbeing. EN organized a workshop of civil society actors to discuss how they could get involved in shaping innovation for e-health and ageing. Within a new RRI-ICT project to coordinate leading actors in ICT research, EN held a workshop "tech for impact" on the role of technology in supporting mission delivery for non-profits and how non-profits can contribute to technological development themselves. Within MY-WAY, EN is championing guidance on web entrepreneurship for students and young people through student support centres.

**EUCLID NETWORK
(LIMITED BY GUARANTEE)
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016**

GOVERNANCE & STRATEGY

Having determined a new strategy in 2014, EN had attracted a healthy number of 22 member organisations across 11 European countries by the end of March 2016. At the AGM 2015, a new President, John Low, was elected by the Board, after the previous President was constrained to step down for personal reasons. The founding Secretary-General, Sir Stephen Bubb, also stood down at the AGM and a new Director, Angels Guiteras Mestres, was elected.

OPERATIONS

EN made significant adjustments to its back-office operations through the year: it had transferred to a mobile cloud-based IT system mid-year, moved to a new office location by the end of the financial year and was about to transfer its financial management to a new team from 1 April 2016.

Directors

The following directors have held office since 1 April 2015:

Sir S Bubb	(Resigned 11 December 2015)
D Lopez	
J Low	
F Kron	
C Azevedo	
P Sporar	
S Bergh	(Resigned 11 December 2015)
M Karzen	(Resigned 26 May 2016)
J Sparkes	(Resigned 11 December 2015)
E Varga	
A Mestre	(Appointed 11 December 2015)

Auditors

The auditors, Glazers, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**EUCLID NETWORK
(LIMITED BY GUARANTEE)
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016**

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

By order of the board



S Barnett

Secretary 11th July 2016

EUCLID NETWORK (LIMITED BY GUARANTEE) INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EUCLID NETWORK

We have audited the financial statements of Euclid Network for the year ended 31 March 2016 set out on pages 6 to 10. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**EUCLID NETWORK
(LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE MEMBERS OF EUCLID NETWORK**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from preparing a strategic report.

**Jessie Kho FCCA (Senior Statutory Auditor)
for and on behalf of Glazers**

11 July 2016

**Chartered Accountants
Statutory Auditor**

843 Finchley Road
London
NW11 8NA

EUCLID NETWORK
(LIMITED BY GUARANTEE)
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2016

		2016	2015
	Notes	€	€
Turnover		785,863	610,896
Cost of sales		(400,225)	(153,238)
Gross profit		385,638	457,658
Administrative expenses		(417,808)	(461,784)
Loss on ordinary activities before taxation	2	(32,170)	(4,126)
Tax on loss on ordinary activities	3	-	-
Loss for the year	6	(32,170)	(4,126)

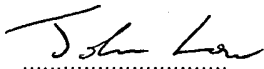
**EUCLID NETWORK
(LIMITED BY GUARANTEE)
BALANCE SHEET**

AS AT 31 MARCH 2016

	Notes	2016 €	€	2015 €	€
Current assets					
Debtors	4	147,177		99,498	
Cash at bank and in hand		31,365		134,490	
		<u>178,542</u>		<u>233,988</u>	
Creditors: amounts falling due within one year	5	<u>(207,420)</u>		<u>(230,696)</u>	
Total assets less current liabilities			<u>(28,878)</u>		<u>3,292</u>
Capital and reserves					
Profit and loss account	6		<u>(28,878)</u>		<u>3,292</u>
Total funds			<u>(28,878)</u>		<u>3,292</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard for Smaller Entities (effective January 2015).

Approved by the Board for issue on 11th July 2016



J Low
Director

Company Registration No. 06433321

**EUCLID NETWORK
(LIMITED BY GUARANTEE)
BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2016**

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Going concern

Euclid Network has made a loss in the year and as a result has net liabilities at the balance sheet date. The organisation has adequate cash resources to meet its day to day working capital.

Where project costs are in excess of that budgeted and our partners / donors are not able to provide additional funding we have to absorb the excess costs on these projects, largely arising from exchange rate losses. The directors have prepared projected forecasts for the next financial period. We have diversified income to reduce risk and have also made adjustments to our back office which will enable us to streamline certain administrative costs and we expect that we will make a surplus in excess of the deficit incurred this year.

On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

1.2 Turnover

Turnover represents amounts receivable for membership fees, conferences and grants.

1.3 Revenue recognition

Fee income represents revenue earned under a wide variety of contracts to provide professional services. Revenue is recognised as earned when, and to the extent that, the firm obtains the right to consideration in exchange for its performance under these contracts. It is measured at the fair value of the right to consideration, which represents amounts chargeable to clients, including expenses and disbursements but excluding value added tax.

Revenue is generally recognised as contract activity progresses so that for incomplete contracts it reflects the partial performance of the contractual obligations. For such contracts the amount of revenue reflects the accrual of the right to consideration by reference to the value of work performed. Revenue not billed to clients is included in debtors and payments on account in excess of the relevant amount of revenue are included in creditors.

Fee income that is contingent on events outside the control of the firm is recognised when the contingent event occurs.

Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

1.4 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Operating loss	2016	2015
	€	€
Operating loss is stated after charging:		
Auditors' remuneration	4,343	5,424
	<u> </u>	<u> </u>

EUCLID NETWORK
(LIMITED BY GUARANTEE)
BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2016

3 Taxation

On the basis of these financial statements no provision has been made for corporation tax.

4 Debtors	2016	2015
	€	€
Trade debtors	147,177	98,669
Other debtors	-	829
	<u>147,177</u>	<u>99,498</u>

5 Creditors: amounts falling due within one year	2016	2015
	€	€
Bank loans and overdrafts	-	134
Trade creditors	188	6,293
Taxation and social security	4,122	6,899
Other creditors	203,110	217,370
	<u>207,420</u>	<u>230,696</u>

6 Statement of movements on profit and loss account

	Profit and loss account €
Balance at 1 April 2015	3,292
Loss for the year	(32,170)
Balance at 31 March 2016	<u>(28,878)</u>

The company is limited by guarantee. Each member's liability is limited to £1. Upon winding up of the company the net assets will be transferred to a charity or not for profit organisation for use for particular purposes that fall within the objects of Euclid Network.

EUCLID NETWORK
(LIMITED BY GUARANTEE)
BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2016

7 Employees

Number of employees

The average monthly number of employees during the year was:

	2016	2015
	Number	Number
Administration	4	6
	<u> </u>	<u> </u>
Employment costs	2016	2015
	€	€
Total staff costs	244,036	213,775
	<u> </u>	<u> </u>
	<u>244,036</u>	<u>213,775</u>

8 Related party relationships and transactions

During the year the company was charged €62,383 (2015: €84,660) for staff costs and office charges by the Association of Chief Executives of Voluntary Organisations (ACEVO). At the year end the company owed €Nil (2015: €Nil) to ACEVO in respect of waived charges relating to the prior year. The company was paying interest at 5% on this loan. In 2016 the interest amounted to €Nil (2015: €592).