



ECFR

**Report and Financial Statements
For the Year Ended 31 December 2018**

Charity Number: 1143536

Company Registration Number: 07154609



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Legal and administrative information

Governing Document: Memorandum and Articles of Association

Registered Office/Principle Place of Business
Tennyson House
159-165 Great Portland St
Marylebone
London W1W 5PA

Trustees/Directors
Carl Bildt
Franziska Brantner – from 14 March 2019
Emma Bonino – Resigned 14 March 2019
Ian Clarkson
Marta Dassu – from 14 March 2019
Lykke Friis
Sylvie Kauffmann
Ivan Krastev
Mabel van Oranje – Resigned 14 March 2019
Andrew Puddephatt – Resigned 14 March 2019
Norbert Röttgen
Javier Solana
Andrzej Olechowski
Helle Thorning-Schmidt

Joint Chairs
Carl Bildt
Lykke Friis – from 14 March 2019
Norbert Röttgen – from 14 March 2019
Mabel van Oranje – Resigned 14 March 2019
Emma Bonino – Resigned 14 March 2019

Key Management Personnel:
Director Mark Leonard
Deputy Director - Operations Alba Lamberti
Deputy Director - Programmes & Advocacy Vessela Tcherneva
Research Director Jeremy Shapiro
Senior Director Strategic Partnerships Antje Kuchenbecker
Senior Director Finance & Operations Folke Pfister

Auditors: Wilkins Kennedy Audit Services,
2nd Floor, Regis House,
45 King William St,
London, EC4R 9AN

Bankers: Barclays Bank
2 Victoria Street
London SW1

Solicitors: Bates Wells & Braithwaite
2-6 Cannon Street
London EC4M 6YH

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Report of the Directors

For the year ending 31 December 2018

The Directors, who are also Trustees for the purposes of company law, present their report together with the financial statements for the year ended 31 December 2018. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's memorandum and articles of association, the Charities Act 2011, the Companies Act 2006 and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective 1 January 2015.

Objectives and Activities

The European Council on Foreign Relations (also "ECFR", "Company", "Charity") is the first pan-European think-tank. First launched in October 2007, its objective is to conduct research and promote informed debate across Europe on the development of a coherent and effective European values-based foreign policy.

ECFR has developed a strategy with three distinctive elements that define its activities:

- **A pan-European Council.** ECFR has brought together a distinguished Council of over 330 Members — politicians, decision makers, thinkers and business people from the EU's member states and candidate countries — which meets once a year as a full body. Through geographical and thematic task forces, members provide ECFR staff with advice and feedback on policy ideas and help with ECFR's activities within their own countries. In 2018 the Council was chaired by Mabel van Oranje.
- **A physical presence in the main EU member states.** ECFR, uniquely among European think-tanks, has offices in Berlin, London, Madrid, Paris, Rome, Sofia and Warsaw. The offices are platforms for research, debate, advocacy and communications.
- **A distinctive research and policy development process.** ECFR has brought together a team of distinguished researchers and practitioners from all over Europe to advance its objectives through innovative projects with a pan-European focus. ECFR's activities include primary research, publications of policy reports, private meetings and public debates, 'friends of ECFR' gatherings in EU capitals and outreach to strategic media outlets.

The Directors confirm that they have referred to the guidance provided by the Charity Commission on public benefit when reviewing the Company's aims and objectives and in planning future activities. ECFR is a unique organisation that with its Council representatives and offices in seven countries together with its pan-European research and outreach work supports the EU and European governments.

Achievements and Performance

For 2018, our effort was aimed at creating a more effective, ambitious and cooperative European foreign policy. Within our four research programs (Middle East and North Africa, Asia and China, Wider Europe and European Power), our efforts focused on gaining an analytical understanding of Europe's foreign policy dilemmas, recommending innovative solutions, and promoting those solutions through publications, convening conferences, media appearances, and other forms of advocacy.

In 2018, much of this work focused on how to protect Europe from the unravelling of the global order and the return of great power competition. Europe's influence and well-being both supports and depends on a functioning global order. That order is now under threat not just from Russia, but from actors as diverse as China, India, and arguably even the United States and from the competition between them.

Other strands of work included:

- Promoting a more coherent and inclusive EU policy towards Russia
- Understanding the evolution of EU-Turkey relations and Turkey's approach to the Western Balkans
- Seeking more effective methods of EU engagement in the Balkans
- Taking stock of the transatlantic relationship and the effect of the Trump administration on U.S. foreign policy and on Europe
- Seeking mechanisms to integrate a post-Brexit UK into useful initiatives in support of common European foreign policy goals
- Promoting a de-escalation and stabilization agenda for the civil war in Syria
- Pushing for European activism to stabilize the situation in Libya, Yemen and the Sahel
- Promoting more effective European action in promoting Israeli-Palestinian peace
- Pushing for a European united front on the issue of the trade and investment relationship with China, while proactively seeking new investment and trade measures to reduce Europe's vulnerability.

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For the year ending 31 December 2018

We supported those activities through 35 long-form publications and 212 shorter commentaries, all published on our website which received 1.55 million unique page views in 2018. We additionally sent 22 private notes to key stakeholders. We promoted that content through nearly 300 conferences, seminars, and workshops in 20 countries as well as hundreds of media appearances and interviews.

Some of our more prominent conferences included our 11th Annual Council Meeting in May, which gathered over 150 council members and focused on Europe in age of geopolitical competition; our MENA Forum in January which took stock of regional issues; and the third edition of Europe-China Forum, a high-level track 1.5 policy dialogue between Chinese and Europeans addressing key trends in China and their impact on Europe. We also convened several strategy groups including a high-level Foreign Policy Strategy Group looking at cross-cutting issues, an EU-Russia Strategy Group, an EU-Iran Strategy Group, and the Arrabida China Strategy Group.

Financial Review

Results for the year

Net incoming resources for the year ending 31st December 2018 were €8,236k and net resources expended were €7,967m, resulting in a surplus for the year of €269k. The Open Society Foundation provided an unrestricted grant of €2,455m or just under 30% of total turnover. Other large restricted donations were received from the Norwegian Ministry of Foreign Affairs (€522k), Swedish Ministry of Foreign Affairs (€516k), Stiftung Mercator (€466k), Compagnia di San Paolo (€299k) and the Bill & Melinda Gates Foundation (€272k). The funding balance continues to shift towards restricted grants, where donors provide funds for specific pieces of policy work (see full list in note 13). We are also grateful to organisations which provide support to ECFR in the form of gifts-in-kind, which in 2018 were valued at €1,122k (2017: €996k).

Reserves

ECFR's reserves policy is to build sufficient reserves to meet the identified risks assessed each year. The aim is to invest in reserves until they cover at least three months operational running costs to ensure our ability to at all times meet organisational liabilities. ECFR ended 2018 with a surplus of €269k. As a result, unrestricted reserves at the 31 December 2018 increased to €1,081k, equivalent to 2.2 months of operational running costs. The Board has approved a surplus budget for 2019 to further contribute towards rebuilding reserves. Beyond 2019 the Board is committed to continue surplus budgets and comply with the stated policy.

Plans for the Future

For 2019, ECFR continues to evolve in response to world events. We are confronting a return of Great power competition, the fraying of the rule-based order and more instability in the European periphery; the after-effects of the migration crisis on European politics and internal cohesion; and a growing politicisation and fragmentation of European foreign policymaking. In the midst of all of this, the EU is choosing a new parliament and a new leadership team, forming the backdrop of European external action and – in contrast to previous years – the backdrop to the future mechanics of European policymaking. As such, 2019 could represent a breaking point for European foreign policy.

ECFR's four priorities for 2019 try to reflect the major factors of political change and concerns of European citizens but also offer European decision-makers concrete solutions to address them by showing Europe as the first line of defence. These are:

- **Protecting European Sovereignty** – Through our new partnership with the European External Action Service in Brussels and eight EU member states, we are conducting an ongoing reflection on how to protect European independence and on Europe's contribution to the future of multilateralism. Our goal is to shape the outlook and instruments of the next European Commission (2020-2025) with a foreign policy agenda driven by the political needs of EU member states. Our technical research and a final conceptual paper at the end of the project will serve to first engage policymakers, then reach out to the new generation of European politicians after the May 2019 European elections, using the ECFR Annual Council Meeting in June and advocacy opportunities in the course of the year provided by France's G7 presidency and Germany's UN Security Council seat. Salvaging the European engagement with Iran is part of the work on European Sovereignty and will continue to be our priority.

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For the year ending 31 December 2018

- **Managing migration** – through an advocacy mapping of different European strategies towards migration in partnership with the Gates Foundation, and policy-driven analysis on the intersection of conflict and migration in the Middle East and North Africa, our goal is to equip European decision-makers with equitable, humane strategies and tools to address the challenge of current and future flows of migration that can also convince mainstream pro-European political parties.
- **Bolstering the European neighborhood against external threats and internal instability** – Through our research and advocacy work on containing Russia, preventing terrorism and managing internal instability in Ukraine and the Western Balkans, our goal is first and foremost to prevent escalation, promote concerted European action to pursue stabilisation of the immediate neighborhood, while not losing sight of ongoing reform efforts.
- **Unlocking Europe's Hidden Internationalist Majority** – In contrast to previous European elections, we expect that foreign policy issues such as migration, Russia, EU enlargement, Turkey, trade, security and digital revolution, to name a few, will play an important part in some of the national campaigns. This is a further sign of the politicisation of foreign policy – and the way in which the European political environment is being shaped by a multitude of actors beyond the diplomatic community. We see our role in developing concrete foreign policy strategies that allow pro-European forces to present EU foreign policy as the first line of defence for its citizens in an increasingly uncertain world. That means developing better political intelligence and a new way of framing our work for new audiences. We will map the different debates, provide insights on the national drivers and the most contentious issues resonating in a dozen EU countries. Through research, mapping exercises with ECFR's network of EU28 researchers and polling surveys, we aim to have a clear break-down of the possible electorate and gather data that would develop new forms of argument and a new framing of the issues that might appeal to different groups of voters across Europe. In parallel, ECFR's policy team will conduct research on the possible implications of the European elections outcomes on EU foreign policy priorities such as relations with Russia and Turkey, migration and common trade policy.

In this new world, we will work even harder to build a consensus for European co-operation on foreign policy by framing arguments in ways that will resonate in national capitals by:

- **Building up our policy and advocacy capacity in national capitals** — over the next several years, we will ensure that each of the four policy programs has both policy and advocacy staff based in those of the national capitals and offices which are most influential in their area of expertise.
- **Shifting our centre of gravity to Berlin** — to reflect the British decision to leave the EU and in the belief that Germany will serve even more as pivot in European affairs, we have begun to gradually shift the centre of ECFR's staff away from London and towards Berlin. To facilitate this we have invested in larger office space in Berlin, with the goal of using the engagement of the German government as the kernel of wider European coalitions.
- **Move towards new forms of communications** — we continue to increase our use of data visualisation, of infographics, of podcasts and of social media to allow our ideas to profit from new forms of communications.
- **Programmatic Review** – At the end of 2018, we suspended our Asia and China program due to staff departures. Before reconstituting the program, we intend to undertake a programmatic review to determine the appropriate structure of our research programs for the new geo-political environment. We remain committed to analysing Asian and Chinese issues and for the time being are tackling these topics through our other programs.

Structure, Governance and Management

Constitution

ECFR, a UK company limited by guarantee incorporated on 11 February 2010, is a not-for-profit organisation which obtained UK charitable status on 24 August 2011. The liability of members is limited to £1. The Company is governed by its Memorandum & Articles of Association, as last revised and adopted on 16 August 2011. The objects of the Company are 'the advancement of education in the field of foreign policy and related areas by undertaking and promoting research for the public benefit and publishing the useful results thereof'.

The ECFR Group is made up of the UK Company and four legal entities established in Germany, France, Spain and Italy under the common control of the UK Charity Board. Further details of these subsidiaries are provided in Note 9.

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Report of the Directors

For the year ending 31 December 2018

Governance

ECFR is governed by a Board of Directors, which meets three times a year. Directors are recruited by invitation based on the skills, experience and influence they have in the European political arena. Mabel van Oranje, Carl Bildt and Emma Bonino have been appointed joint Chairs throughout 2018. On 14 March 2019 Mabel van Oranje and Emma Bonino resigned from these roles and Lykke Friis and Norbert Röttgen were appointed joint Chairs. The joint Chairs are advised by a Council of over 330 learned and experienced members acting as influential advocates for a values-based European foreign policy and as ambassadors for ECFR's ideas.

The Board is supported by an Executive Committee which meets monthly and is composed of three or four members of the ECFR Board of Trustees including one of the joint Chairs. This Committee has been delegated responsibility for overseeing the administrative and financial governance of the Charity on behalf of the Board, whilst noting that the Board retains final responsibility for the performance of that delegated authority. Its decisions and recommendations are reported to the Board so as to ensure the full Board can continue to discharge its overall responsibility.

All members of the Board give their time freely and no board members received remuneration in the year. Details of expenses reimbursed to trustees are disclosed in note 14. There are no related party transactions.

Key management personnel

The management of the Charity is delegated to the Director and through him to the members of the senior management team. Remuneration for the Director is reviewed annually and set by the Board. Remuneration for senior management and the rest of the staff team is set by the Director.

Principal risks and uncertainties

The Board of Trustees is responsible for ensuring that there are effective and adequate risk management and internal control systems in place to manage the major risks to which the Charity is exposed. It discharges this responsibility through its review of the effectiveness of the Charity's risk management framework.

This is designed to support informed decision-making regarding the risks that affect the Charity's performance and its ability to achieve its objectives. It also provides for a consistent approach to identifying, assessing and dealing with the risks facing the Charity so as to ensure that they do not exceed the level of risk the Charity is willing to assume. It should be noted that the framework is designed to manage, rather than to eliminate, the risks to the Charity's objectives and to provide reasonable, but not absolute, assurance against material misstatement or loss.

The ECFR board together with the senior management team have reviewed the risks faced by the Charity and updated the risk register to capture and monitor all risks identified. The key risks have been assessed as:

- Loss of key Trustees
- Disruption from Brexit and the transition of ECFR's centre of gravity to Berlin
- Risks to the organisation arising from cyber attacks and loss of key data
- Raising insufficient funds to cover costs

Actions taken to mitigate the risks associated with loss of key trustees includes active recruitment of trustees with the right skillset to support ECFR's mission. Disruption arising from the decision to shift the centre of gravity to Berlin is being mitigated through regular communication with staff, Board and Council members, sound recruiting activities and forward and contingency planning. IT security risks are being mitigated through security investments and the development of relevant policies and staff training. Actions taken to mitigate the risks associated with funding include close monitoring of fundraising strategy and progress, diversifying sources of funding to include a wider range of donors, seeking multi-year partnerships, and maintaining good relations with current major funders.

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Report of the Directors

For the year ending 31 December 2018

Statement of Directors' responsibilities

The Directors are responsible for preparing the Report of Directors and the financial statements in accordance with applicable law, UK accounting standards and UK GAAP.

Company law requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of incoming resources and application of resources, including the income and expenditure of the charitable company for that period.

In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the charities SORP (FRS 102)
- Make judgements and accounting estimates that are reasonable and prudent
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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.

In so far as the directors are aware:

- there is no relevant audit information of which the charitable Company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Disclosure of information to the auditors

We, the directors of the Company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:


- there is no relevant audit information of which the Company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

Wilkins Kennedy Audit Service have expressed their willingness to act as auditors in accordance with Section 419 (2) of the Companies Act 2006.

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

Approved by the trustees and signed on their behalf:



Lykke Friis
Joint Chair

Date 06 September 2019

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Independent Auditor's Report to the members of ECFR

Opinion

We have audited the financial statements of ECFR (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 December 2018 which comprise the Group Statement of Financial Activities including the Group Summary Income and Expenditure Account, the Group and Parent Balance Sheet, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the charitable parent company's affairs as at 31 December 2018 and of the group's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the charitable parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

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Independent Auditor's Report to the members of ECFR

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the charitable parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the charitable parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the charitable parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable parent 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 charitable parent company's members those matters we are required to state to them in an auditor's 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 charitable parent company and the charitable parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Wil. Kennedy Audit Services

John Howard (Senior Statutory Auditor)
For and on behalf of Wilkins Kennedy Audit Services
Statutory Auditor
2nd Floor, Regis House,
45 King William St,
London, EC4R 9AN

Date 19 September 2019

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Consolidated Statement of Financial Activities (including consolidated income and expenditure) for the year ended 31 December 2018

	Note	Unrestricted €	Restricted €	Total 2018 €	Total 2017 €
Incoming Resources					
Donations & Legacies	2,3	1,460,539	-	1,460,539	1,181,669
Charitable activities	2,3	2,628,740	4,070,542	6,699,282	7,147,951
Investment Income	2,3	511	-	511	446
Other Income	2,3	75,322	-	75,322	10,668
Total Incoming Resources		4,165,112	4,070,542	8,235,654	8,340,734
Resources Expended	4				
Raising Funds		373,928	-	373,928	515,710
Charitable activities:					
Asia & China programme		243,377	633,658	877,035	1,071,598
Middle East & North Africa programme		234,256	1,178,148	1,412,404	1,564,857
European Power programme		22,541	1,230,677	1,253,218	1,066,784
Wider Europe programme		258,889	598,971	857,860	897,808
Advocacy & National Offices programme		2,737,146	429,088	3,166,234	3,176,095
Total Resources Expended		3,870,137	4,070,542	7,940,679	8,292,852
Net income/(expenditure)	5	294,975	-	294,975	47,882
Other recognised gains/(losses)		(26,309)	-	(26,309)	(18,920)
Net movement in funds		268,666	-	268,666	28,962
Reconciliation of funds					
Total funds brought forward		812,131	-	812,131	783,169
Total funds carried forward		1,080,797	-	1,080,797	812,131

The statement of financial activities includes all gains and losses in the year. All income and expenditure derive from continuing activities.

The notes on pages 12-23 form part of these financial statements.

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Consolidated Balance Sheet as at 31 December 2018
(Company number: 07154609)

	Note	Charity		Group	
		2018 €	2017 €	2018 €	2017 €
Fixed assets					
Tangible assets	8	9,639	16,782	64,072	33,797
Investments	9	25,000	25,000	-	-
Total Fixed assets		34,639	41,782	64,072	33,797
Current assets					
Debtors and prepayments	10	846,610	945,859	745,903	964,087
Cash at bank and in hand	11	978,803	511,602	1,361,870	808,063
Total Current assets		1,825,413	1,457,461	2,107,773	1,772,150
Current Liabilities					
Creditors: amounts falling due within one year	12	(805,409)	(714,228)	(1,091,048)	(993,816)
Total Current liabilities		(805,409)	(714,228)	(1,091,048)	(993,816)
Net Current Assets		1,020,004	743,233	1,016,725	778,334
Total assets less current liabilities		1,054,643	785,015	1,080,797	812,131
Total net assets		1,054,643	785,015	1,080,797	812,131
Funds of the Charity					
Restricted Funds	13	-	-	-	-
Unrestricted Funds		785,015	764,333	812,131	783,169
Movement in Funds		269,628	20,682	268,666	28,962
Total Funds		1,054,643	785,015	1,080,797	812,131

Approved by the board of directors and trustees on 06 September 2019 and signed on its behalf by:


 Lykke Friis, Chair

The notes on pages 12-23 form part of these financial statements.

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Cashflow Statement for the year ended 31 December 2018

		2018	2017
		€	€
Cash flows from operating activities:			
Net cash provided by operating activities	16	618,189	(747,054)
Cash flows from investing activities:			
Purchase of assets		(64,382)	(16,972)
Net cash used in investing activities		(64,382)	(16,972)
Change in cash and cash equivalents in the year		<u>553,807</u>	<u>(764,026)</u>
Cash and cash equivalents at beginning of the year		808,063	1,572,089
Cash and cash equivalents at end of year	11	<u>1,361,870</u>	<u>808,063</u>

The notes on pages 12-23 form part of these financial statements.

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Notes to the Financial Statements for the year ended 31 December 2018

1) Accounting Policies

(a) General information and basis of preparation

ECFR (The European Council on Foreign Relations) is a company limited by guarantee in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. ECFR meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are presented in Euro (EUR), which is the presentational currency of the charity from 1 January 2018. The functional currency of the charity is Sterling. The charity changed its presentational currency from Sterling to Euro to reflect that the Euro has become the predominant currency within the group due to the relocation of the head office to Berlin. The change in the presentation currency is applied retrospectively for comparative figures for 2017 and 2016.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Basis of Consolidation

Where control is exercised by the parent charity over another entity, those entities are consolidated as subsidiaries on a line by line basis in accordance with FRS 102 section 9 and the Charities SORP (FRS102).

Details of these entities are given in note 9 to the financial statements. A separate statement of financial activities for the charitable company has not been presented as permitted by the SORP.

(c) Going Concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

(d) Funds

Unrestricted funds - represent funds which are free to be spent in accordance with the charitable objects at the discretion of the Trustees.

Designated reserves are set aside out of unrestricted reserves by the Trustees, for particular purposes.

Restricted funds - represent funds that have been given for particular purposes and/or projects, which have legal restrictions on their use and must be spent wholly to undertake activities in accordance with donor requirements.

(e) Income

All incoming resources are recognised where the charity is legally entitled to the income, the amount can be reliably measured and it is probable that the income will be received.

Donated Services and Gifts in Kind are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Charity can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities.

Donations and legacies are recognised in the financial statements when the trustees are convinced that there is entitlement to the income, it is probable that the income will be received and the amount in question is measurable. Any administration fee that is charged is recognised as unrestricted income.

Grant income is recognised in the period the grant relates to and to the extent that certainty to their entitlement can be measured.

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Notes to the Financial Statements for the year ended 31 December 2018

(f) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities includes spending on ECFR's 4 Programmes (China & Asia, Wider Europe, Middle East & North Africa and European Power), National Offices and Advocacy.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Staff costs are allocated between cost headings according to the function of each employee.

(g) Allocation of support and governance costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include governance costs, administrative office function costs, and depreciation, HR and recruitment, and premises costs. They are incurred directly in support of expenditure on ECFR's charitable objects.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs relating to the statutory audit, legal fees, as well as staff and consultancy costs in relation to senior management.

Support and Governance costs have been allocated across charitable activities using percentage allocations.

(h) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. All assets costing more than £500(€555) are capitalised. Assets are depreciated once the asset is ready for use. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost of each asset on a straight-line basis over the assets estimated useful lives as follows:

Leasehold property — over the lifetime of the lease straight line

Computer equipment — 33% straight line

Furniture, Fixtures and fittings — 25% straight line

Computer equipment — 33% straight line

(i) Investments

Investments in subsidiaries are stated at cost, less any provision for impairment losses.

(j) Debtors

Other debtors including amounts owed from European Entities are recognised at the settlement amount due. Prepayments are valued at the amount prepaid. Accrued income including gift aid is measured at the amount due to be received.

(k) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(l) Creditors and provisions

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Other creditors and accruals are recognised at their settlement amount due.

(m) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

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Notes to the Financial Statements for the year ended 31 December 2018

(n) Operating Leases

The charity classifies the lease on the London office building as an operating lease; the title to the building remains with the lessor. Rental charges are charged on a straight-line basis over the term of the lease.

(o) Pensions

The company subscribes to a defined contribution pension scheme provided by Standard Life. Contributions payable for the period are charged in the Statement of Financial Activities.

(p) Foreign Currency

In preparing these financial statements, transactions in the foreign currencies have been recorded in the presentational currency using an average exchange rate or the rate prevailing at the time.

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Foreign exchange differences arising on translation are reported in the Statement of Financial Activities.

(q) Taxation

No charge to taxation arises on the result for the year because the company is able to take advantage of the tax exemptions available to charities.

(r) Judgements and key sources of estimation uncertainty

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually.

They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets, see note 8 for the carrying amount of the fixtures and equipment and computer equipment, and note 1(h) for the useful economic lives for each class of assets.

There are no other key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

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Notes to the Financial Statements for the year ended 31 December 2018

2) Analysis of group income

	Unrestricted €	Restricted €	Total 2018 €	Total 2017 €
Donations and legacies:				
Donations and gifts	338,676	-	338,676	185,560
Donated goods, facilities and services (Note 3)	1,121,863	-	1,121,863	996,109
	1,460,539	-	1,460,539	1,181,669
Charitable Activities:				
Grants	2,628,740	4,070,542	6,699,282	7,147,951
	2,628,740	4,070,542	6,699,282	7,147,951
Investment Income:				
Interest Income	511	-	511	446
	511	-	511	446
Other Income	75,322	-	75,322	10,668
	75,322	-	75,322	10,668
Total Income	4,165,112	4,070,542	8,235,654	8,340,734

ECFR is very grateful for the continuing support of the Open Society Foundation for their core funds of €2,455,108 (2017: €2,688,019).

In 2017, all of the €1,181,669 income in relation to donations and legacies was attributable to the unrestricted funds.

In 2017, €2,688,019 of income from charitable activities was attributable to the unrestricted fund and the remaining €4,459,932 of the income was attributable to the restricted fund.

In 2017, all of the €446 income from investments and €10,668 income from other income was attributable to the unrestricted fund.

3) Donated goods, facilities and services of the group

	Total 2018 €	Total 2017 €
Asia & China programme	131,846	105,813
Middle East & North Africa programme	76,530	88,949
European Power programme	30,352	24,781
Wider Europe programme	173,374	28,944
Advocacy & National Offices	709,761	747,622
Total Gifts in Kind	1,121,863	996,109

Gifts in Kind consist of 10% (2017: 8%) of donated office services and 90% (2017: 92%) of event services. It includes contributions to office space, speakers time, provision of venue space and support to public events.

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Notes to the Financial Statements for the year ended 31 December 2018

4) Analysis of group expenditure

	Direct Staff Costs	Activity Costs	Support Costs	Total 2018	Total 2017
	€	€	€	€	€
Fundraising	280,476	25,912	67,540	373,928	515,710
Asia & China programme	400,788	358,509	117,738	877,035	1,071,598
Middle East & North Africa programme	505,100	496,091	411,213	1,412,404	1,564,857
European Power programme	688,732	328,324	236,162	1,253,218	1,066,784
Wider Europe programme	347,346	376,604	133,910	857,860	897,808
Advocacy & National Offices	1,280,961	1,130,707	754,566	3,166,234	3,176,095
	3,503,403	2,716,147	1,721,129	7,940,679	8,292,852

	Total 2018	Total 2017
	€	€
Support Costs		
Staff Costs	753,559	863,838
Office Rental	493,303	558,001
Communications	90,567	92,055
Board Activity costs	16,026	12,514
Professional costs	236,875	359,690
Computing costs	104,929	182,568
Depreciation, equipment hire & asset impairment	34,666	57,592
Bank charges & gain on exchange	(26,722)	12,633
Governance costs	17,926	66,802
	1,721,129	2,205,693

5) Net Income/(Expenditure) of the group for the year is stated after charging:

	Total 2018	Total 2017
	€	€
Auditors remuneration for the charity:		
Audit fees for the audit of group accounts (charity €11,153)	25,253	20,857
Under provision of prior years' audit fee	-	1,650
Other services	11,746	3,507
	36,999	26,014
 For group:		
Depreciation	26,555	50,349
Operating lease office rentals	384,505	376,120

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Notes to the Financial Statements for the year ended 31 December 2018

6) Staff costs and employee benefits for the group

Staff Costs	Total 2018 €	Total 2017 €
Salaries & wages	3,349,883	3,719,994
Social security costs, incl. pension arrangements for non-UK staff	628,583	569,276
Pension costs (defined contribution scheme for UK staff)	65,911	135,944
Redundancy costs	104,065	11,616
Other employee benefits	108,520	109,688
	4,256,962	4,546,518

Staff costs consists of support costs of €753,559 (2017: €909,303) and direct activities staff costs of €3,503,403 (2017: €3,637,215). Please see note 4.

Average monthly number of employees during the year calculated on a full-time equivalent basis was 54 (2017: 56).

The following number of employees received a gross salary between the below bands during the year:

Band	2018	2017
€70,000 to €79,999	4	4
€80,000 to €89,999	4	2
€90,000 to €99,999	-	2
€100,000 to €109,999	1	-
€110,000 to €119,999	3	4
€120,000 to €129,999	1	2
€160,000 to €169,000	-	1
€170,000 to €179,000	1	1

Key management comprise the Director and 5 members of the senior management team. The total cost to company of key management for the group were €726,194 (2017: €901,208).

A staff redundancy provision of €95,624 (2017 €11,616) has been provided for Italy and the UK and further €68,943 (2017: €59,307) have been provided on the basis of a "end of tenure" provision for Italy included in group creditors.

Redundancy payments made during the year were €20,057 (2017: €Nil).

Accrued annual leave of €68,263 (2017: €54,656) has been provided for.

7) Defined Contribution

The Standard Life Group Self Invested Personal Pension is available to all UK employees in line with current statutory requirements. The company makes 5% contribution to employees, in exceptional cases up to 10% contribution. The charity complied with the requirements of auto-enrolment in the UK in July 2015 and re-enrolment by September 2018. Pension related costs for the year amounted to €65,911 (2017: €135,944). Pension contribution payments of €5,568 (2017: €22,843) were outstanding at year end.

Pension contributions for non-UK staff are paid in line with the social security arrangements in place in each country.

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Notes to the Financial Statements for the year ended 31 December 2018

8) Tangible Fixed Assets

Charity	Computer Equipment €	Office Equipment €	Fixtures, fittings & equipment €	Total €
Costs				
At 1st January 2018	50,257	51,361	25,746	127,364
Additions	9,592	-	-	9,592
Foreign Exchange loss/gain	(4,238)	(3,150)	(4,373)	(11,761)
At 31st December 2018	55,611	48,211	21,373	125,195
Depreciation				
At 1st January 2018	38,389	50,551	21,642	110,582
Charge for the year	8,207	194	882	9,283
Foreign Exchange loss/gain	(624)	(2,534)	(1,151)	(4,309)
At 31st December 2018	45,972	48,211	21,373	115,556
Net Book Value				
At 31st December 2018	9,639	-	-	9,639
At 31st December 2017	11,868	810	4,104	16,782

Group	Computer Equipment €	Office Equipment €	Fixtures, fittings & equipment €	Total €
Costs				
At 1st January 2018	89,898	65,774	50,433	206,105
Additions	27,497	1,641	35,244	64,382
Foreign Exchange loss/gain	(4,238)	(3,150)	(4,373)	(11,761)
At 31st December 2018	113,157	64,265	81,304	258,726
Depreciation				
At 1st January 2018	67,062	64,957	40,289	172,308
Charge for the year	19,084	313	7,258	26,655
Foreign Exchange loss/gain	(624)	(2,534)	(1,151)	(4,309)
At 31st December 2018	85,522	62,736	46,396	194,654
Net Book Value				
At 31st December 2018	27,635	1,529	34,908	64,072
At 31st December 2017	22,836	817	10,144	33,797

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Notes to the Financial Statements for the year ended 31 December 2018

9) Interests in Subsidiaries

The subsidiary undertaking, ECFR Deutschland GmbH, is a registered charity with company No. 128119B limited by shares in Germany. The entity is deemed to be a subsidiary by virtue of common control. The shares are held by two directors of the UK charity on behalf of ECFR.

	Year ended 31 December 2018	Year ended 31 December 2017
ECFR - Deutschland GmbH	€	€
Income	1,638,038	1,344,225
Expenses	1,638,523	1,341,605
Net surplus/(deficit)	(485)	2,620
Net assets	17,360	17,845

The subsidiary undertaking, Le Conseil Européen – ECFR, is a French registered not-for-profit association with No. W751226645. The entity is deemed to be a subsidiary by virtue of common control.

	Year ended 31 December 2018	Year ended 31 December 2017
ECFR - Le Conseil Européen	€	€
Income	1,178,464	816,294
Expenses	1,178,989	815,244
Net surplus/(deficit)	(525)	1,050
Net assets	11,692	12,217

The subsidiary undertaking, Asociacion Consejo Europeo de Relaciones Exteriores ECFR – Espana is a Spanish registered not-for-profit association No. 607963. The entity is deemed to be a subsidiary by virtue of common control.

	Year ended 31 December 2018	Year ended 31 December 2017
ECFR - Asociacion Consejo Europeo de Relaciones Exteriores	€	€
Income	318,132	362,921
Expenses	317,822	359,602
Net surplus/(deficit)	310	3,319
Net assets	(3,927)	(4,237)

The subsidiary undertaking, European Council on Foreign Relations Italy – ECFR is an Italian not-for-profit association ICF no 97727990588. The entity is deemed to be a subsidiary by virtue of common control. It began trading on 1 February 2017.

	Year ended 31 December 2018	Year ended 31 December 2017
ECFR - Italy	€	€
Income	445,804	341,302
Expenses	446,069	340,008
Net surplus/(deficit)	(265)	1,294
Net assets	1,029	1,294

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Notes to the Financial Statements for the year ended 31 December 2018

10) Debtors and prepayments

	Charity		Group	
	2018	2017	2018	2017
	€	€	€	€
Trade Debtors	21,528	-	254,343	3,206
Accrued Income	317,198	560,561	344,475	755,216
Property Deposit	40,278	40,932	40,278	48,732
European Subsidiaries	371,514	203,836	-	-
Other Debtors	25,157	57,812	27,110	57,816
Prepayments	70,935	82,718	79,697	99,117
	846,610	945,859	745,903	964,087

11) Cash at bank and in hand

	Charity		Group	
	2018	2017	2018	2017
	€	€	€	€
Cash at bank and in hand	978,803	511,602	1,361,870	808,063
	978,803	511,602	1,361,870	808,063

12) Creditors and accruals

	Charity		Group	
	2018	2017	2018	2017
	€	€	€	€
Analysis of creditors				
European Subsidiaries	192,433	27,587	-	-
Trade Creditors	232,223	315,703	261,759	357,683
Other tax and social security costs	55,483	14,761	184,134	89,195
Pension Contributions	5,658	22,464	5,658	22,464
Sundry Creditors	83,231	108,359	284,932	208,047
Accruals	145,973	98,396	203,032	132,529
Deferred Grant income	90,408	126,958	151,533	183,898
	805,409	714,228	1,091,048	993,816

	2018	2017	2018	2017
	€	€	€	€
Deferred Income				
Movement in deferred income account:				
Balance at 1 January	126,958	204,675	183,898	622,270
Amounts added in current period	90,408	126,958	151,533	183,898
Amounts released to income from previous periods	(126,958)	(204,675)	(183,898)	(622,270)
Balance at 31 December	90,408	126,958	151,533	183,898

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Notes to the Financial Statements for the year ended 31 December 2018

13) Restricted Funds

Donor	Restricted Purpose - a grant to support	01 January 2018	Income	Expenditure	31 December 2018
		€	€	€	€
Bertelsmann Stiftung	India Strategy Group	-	20,000	(20,000)	-
Bill & Melinda Gates Foundation	Mapping on Migration	-	272,161	(272,161)	-
CEA	New European Security Initiative	-	39,377	(39,377)	-
Compagnia di San Paolo	ECFR Strategic Partnership	-	299,378	(299,378)	-
CSFRS	Sahel-Sahara stability, security, development	-	25,000	(25,000)	-
CSFRS	Maritime Security	-	70,000	(70,000)	-
Daimler AG	European China Forum 2018	-	35,000	(35,000)	-
EEAS	European Sovereignty	-	30,000	(30,000)	-
Embassy of Japan in Poland	New multilateralism (Poland)	-	37,456	(37,456)	-
Finnair	Finnair Strategic Partnership	-	49,989	(49,989)	-
Jetro	Workshop on investment and security 2018	-	77,974	(77,974)	-
MFA Belgium	European Sovereignty	-	50,000	(50,000)	-
MFA Denmark	Workshop on Lybia & other	-	33,366	(33,366)	-
MFA Denmark	Middle East & North Africa programme	-	99,523	(99,523)	-
MFA Finland	Multilateralism project	-	26,384	(26,384)	-
MFA France	Role of China at the UN , China Strategy Group, India Strategy Group, Flexible Union II	-	55,300	(55,300)	-
MFA France	European Sovereignty, Foreign Affairs France	-	20,000	(20,000)	-
MFA Germany	India Strategy Group	-	40,000	(40,000)	-
MFA Germany	Russia Strategy Group	-	41,733	(41,733)	-
MFA Japan	Japanese MFA	-	65,631	(65,631)	-
MFA Japan	Japan in Europe	-	123,519	(123,519)	-
MFA Netherlands	European Sovereignty	-	30,000	(30,000)	-
MFA Netherlands	Europe and its Neighbours (PROGRESS tender)	-	87,536	(87,536)	-
MFA Norway	Asia & China programme	-	47,843	(47,843)	-
MFA Norway	Middle East & North Africa programme	-	473,775	(473,775)	-
MFA Spain	Spanish Foreign Policy	-	27,819	(27,819)	-
MFA Sweden	European Sovereignty	-	29,116	(29,116)	-
MFA Sweden	Wider Europe - CARE	-	102,361	(102,361)	-
MFA Sweden	Middle East & North Africa programme	-	384,996	(384,996)	-
MFA UK	Stay the Course	-	25,819	(25,819)	-
Balance carried forward		-	2,721,056	(2,721,056)	-

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Notes to the Financial Statements for the year ended 31 December 2018

13) Restricted Funds – continued

Donor	Restricted Purpose - a grant to support	01 January 2018	Income	Expenditure	31 December 2018
		€	€	€	€
Balance brought forward		-	2,721,056	(2,721,056)	-
MFA UK	Western Balkans	-	239,480	(239,480)	-
Open Society Foundations	Unlock project phase I	-	50,906	(50,906)	-
Open Society Foundations	European Sovereignty	-	70,695	(70,695)	-
Robert Bosch Stiftung	Russia Strategy Group	-	24,653	(24,653)	-
Robert Bosch Stiftung	Warsaw - Reengage Poland	-	31,356	(31,356)	-
Rockefeller Brothers Fund	Iran taskforce	-	40,390	(40,390)	-
Statoil	Wider Europe programme	-	41,695	(41,695)	-
Stiftung Mercator	Rethink: Europe 2.0	-	465,574	(465,574)	-
Thales	Geopolitical Trends 2019	-	32,315	(32,315)	-
Total	ACM	-	25,000	(25,000)	-
Various below € 20,000 each	Asia & China programme projects	-	77,460	(77,460)	-
Various below € 20,000 each	European Power programme projects	-	79,482	(79,482)	-
Various below € 20,000 each	Middle East & North Africa programme projects	-	32,486	(32,486)	-
Various below € 20,000 each	Wider Europe programme projects	-	42,129	(42,129)	-
Various below € 20,000 each	Advocacy & National Offices projects	-	95,865	(95,865)	-
			4,070,542	4,070,542	

ECFR contributed to the work supported by each of these restricted funds and the restricted funds were fully expensed. ECFR is grateful to all its funders for their generous support provided in 2018, especially from our core funder, the Open Society Foundation.

14) Transactions with trustees

During the year, no trustees (2017: nil) were paid or received any other benefit from employment with the charitable company. 10 trustees (2017: 8) were reimbursed for travel and meeting expenses amounting to €7,360 (2017: €8,014).

15) Transaction(s) with related parties

There have been no related party transactions in the reporting period.

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Notes to the Financial Statements for the year ended 31 December 2018

16) Reconciliation of net income/(expenditure) to net cashflow from operating activities

	2018	2017
	€	€
Net income/(expenditure) for the reporting period	294,975	47,882
Adjustments for:		
Depreciation	26,655	50,349
Loss/(profit) on sale of fixed assets	-	3,108
(Increase)/decrease in debtors	218,184	(383,081)
Increase/(decrease) in creditors	97,232	(439,825)
Foreign Currency Translation reserve	(26,309)	(18,920)
FX movement on fixed assets	7,452	(6,567)
	<u>618,189</u>	<u>(747,054)</u>

17) Operating lease commitments

	Group		Charity	
	2018	2017	2018	2017
	€	€	€	€
The charity had total commitments under an operating lease as follows:				
Not later than one year	290,198	289,113	117,068	116,401
Later than one and not later than five years	458,971	735,464	9,756	126,101
Later than five years	-	8,821	-	-
