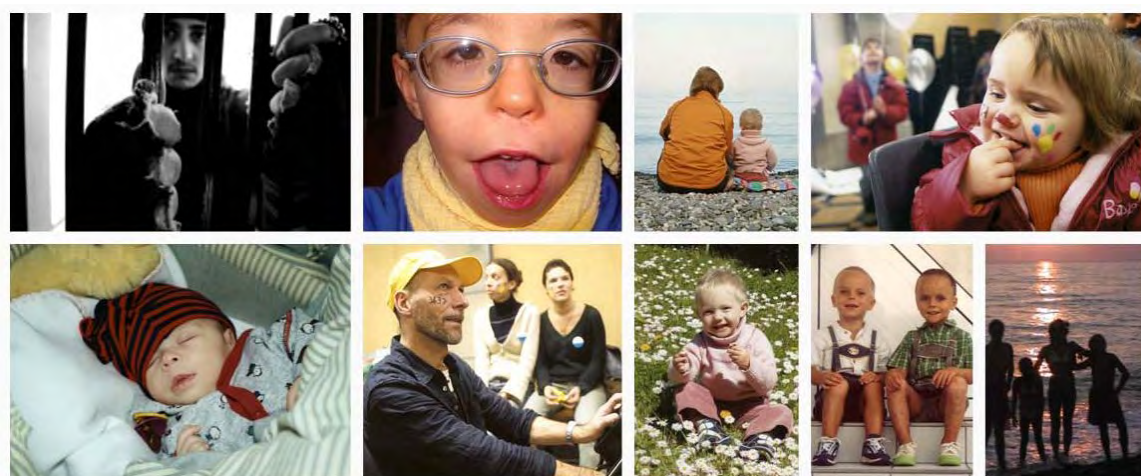




FINANCIAL REPORT

2006

Paris, March 2007



EURORDIS

Association loi 1901 créée le 21 mars 1997

Publication au Journal Officiel du 19 avril 1997 sous le N°2186

102, rue Didot
75014 PARIS

Rapport général du Commissaire aux Comptes

Comptes Annuels - Exercice clos le 31 décembre 2006

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Mesdames, Messieurs les membres,

En exécution de la mission qui nous a été confiée par votre Assemblée générale, nous vous présentons notre rapport relatif à l'exercice clos le 31 décembre 2006, sur :

- le contrôle des comptes annuels de l'association EURORDIS, tels qu'ils sont joints au présent rapport,
- la justification de nos appréciations,
- les vérifications spécifiques et les informations prévues par la loi.

Les comptes annuels ont été arrêtés par le Conseil d'administration. Il nous appartient, sur la base de notre audit, d'exprimer une opinion sur ces comptes.

I. Opinion sur les comptes annuels

Nous avons effectué notre audit selon les normes professionnelles applicables en France ; ces normes requièrent la mise en oeuvre de diligences permettant d'obtenir l'assurance raisonnable que les comptes annuels ne comportent pas d'anomalies significatives. Un audit consiste à examiner, par sondages, les éléments probants justifiant les données contenues dans ces comptes. Il consiste également à apprécier les principes comptables suivis et les estimations

significatives retenues pour l'arrêté des comptes et à apprécier leur présentation d'ensemble. Nous estimons que nos contrôles fournissent une base raisonnable à l'opinion exprimée ci-après.

Nous certifions que les comptes annuels sont, au regard des règles et principes comptables français, réguliers et sincères et donnent une image fidèle du résultat des opérations de l'exercice écoulé ainsi que de la situation financière et du patrimoine de l'association à la fin de cet exercice.

II. Justification des appréciations

En application des dispositions de l'article L. 823-9 du Code de commerce relatives à la justification de nos appréciations, nous vous informons que les appréciations auxquelles nous avons procédé ont porté sur le caractère approprié des principes comptables appliqués.

Les appréciations ainsi portées s'inscrivent dans le cadre de notre démarche d'audit des comptes annuels, pris dans leur ensemble, et ont donc contribué à la formation de notre opinion, exprimée dans la première partie de ce rapport.

III. Vérifications et informations spécifiques

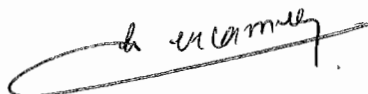
Nous avons également procédé, conformément aux normes professionnelles applicables en France, aux vérifications spécifiques prévues par la loi.

Nous n'avons pas d'observation à formuler sur la sincérité et la concordance avec les comptes annuels des informations données dans le rapport de gestion du Conseil d'administration et dans les documents adressés aux membres sur la situation financière et les comptes annuels.

Neuilly-sur-Seine, le 19 avril 2007

Le Commissaire aux Comptes

Deloitte & Associés



Jean-Pierre VERCAMER

Assets

Trade debtors (€421,059)

They include the following grants to be received:

European Commission for Rapsody	€348,301
Baxter foundation for Rapsody	€46,206
Others	€26,552

Cash at bank and in hand (€547,941)

It includes:

- €232,201 received from the European Commission for the Rare disease patient solidarity project (RAPSODY), which will be spent in 2007
- €297,598 received from the European Commission for the partners of the European Network of Biobanks (EUROBIOBANK). This sum was in Eurordis' bank account for a few days and was transferred to the partners early 2007

Liabilities

The amount of **Provision for risk** decreased by €129,763.

When the 2005 accounts were being edited, Eurordis was waiting for an answer from the European Commission about an amendment for a three-month prolongation of the EUROBIOBANK project. The amount of €129,763 corresponds to a provision for risk of a possible negative answer. As we had a positive answer in 2006 we made a write-back.

Revenue

The revenue reached €1,675,501¹.

The breakdown of Eurordis' revenue by sources is as follows (in thousand of euros):

AFM	661,387	39%
Membership fees and grants	34,490	2%
Volunteers	168,693	10%
European Commission	209,471	13%
National authorities	79,919	5%
Pharmaceutical companies	346,525	21%
Non Profit Org. (except members)	103,536	6%
Others	71,480	4%

¹ TOTAL INCOME (I + II + III) + TOTAL IN KIND CONTRIBUTION: 1,246,140 + 429,361

AFM remains our main financial donator; its support increased from 37% to 39% for two reasons:

- change in the method used to evaluate the office rent, in order to be more realistic (see 3.2.): impact of €81,138
- the contribution of the European Commission was unusually low in 2006 (see 3.3.)

In kind contributions (€429,361)

In kind contributions from:

- INSERM (secondment of François Faurisson),
- AFM (secondment of Fabrizia Bignami and rent of the offices)

are included in revenues since 2004.

Members contribute to the budget through membership fees, but more important is their participation in European conferences, health committees and workshops. Without their efforts and the time they devote to these activities, Eurordis could not develop its actions.

With the agreement of the Statutory Auditor, Eurordis has implemented a new rule consisting in putting a financial value on services rendered by volunteers, when these services could be done by employees² (people representing Eurordis in official activities, translators and permanent volunteer staff members).

We estimate services rendered by volunteers at €168,693.

The cost of office rent was revised according to the average cost per square meter in the district; the amount taken into account is now €90,660.

Overall in kind services increased our annual income by €249,831.

European Commission

2006 was a period of transition for Eurordis' European projects. The projects financed by the European Commission are RAPSODY and EUROBIOBANK.

The amount received from the European Commission decreased from €527,204 to €209,471 because:

- two projects ended (PARACELTUS, 30/11/2005; EUROBIOBANK, 31/03/2006)
- two others were initiated, RAPSODY (01/05/2006), the impact of which will be more significant in 2007, and CAPOIRA, which was postponed until 01/01/2007.

Pharmaceutical companies

Donations from pharmaceutical companies amount to €346,525 in 2006 compared with €237,956 in 2005.

Significant changes in 2006 are the following:

- | | |
|-------------------------------------|-----------|
| - Eurordis Round Table of Companies | + €40,000 |
| - Annual Membership Meeting | + €18,000 |
| - European projects co-financing | + €50,000 |

² Eurordis being a French legal entity, it must follow French accounting rules, which state that involvement of Directors cannot be taken into account financially

25 pharmaceutical companies donated funds to Eurordis in 2006. The financial structure of Eurordis' revenue respects the Eurordis policy on financial support by commercial companies.

For more details on policy and financial structure, see www.eurordis.org.

Non Profit Organisations.

This includes foundations of pharmaceutical companies and Mutual benefit organisations, for a total amount of €103,536.

Expenses

Expenses reached €1,677,051³ compared with €1,844,293 in 2005.

According to the 2006 Action Plan, 4 new staff members have been recruited during the second half of 2006; salary costs increased by 11 % at €472,838.

Three persons for the European projects:

Muriel Hérasse, Research Assistant (15/05/2006)

Kasia Peala, Project Assistant (10/07/2006)

Shane Lynam, Project Coordinator (05/09/2006)

One person for the communication team:

Nathacha Appanah, Communication Assistant (17/07/06)

The Advocacy team was strengthened with the addition of a part-time European Public Affairs Advisor, Valentina Bottarelli.

Result

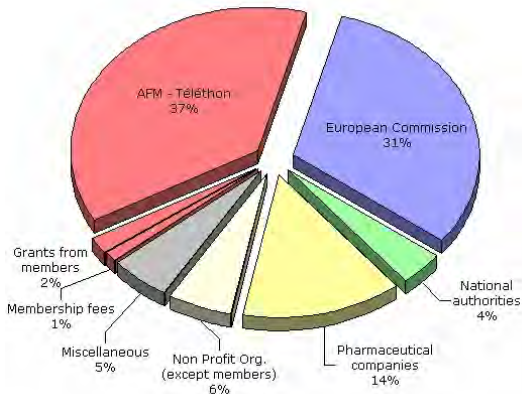
2006 profit: €22,551 (2005 profit: €76,905). This underlines the necessity to remain cautious.

We suggest allocating this amount to the reserve fund, increasing it to €237,888.

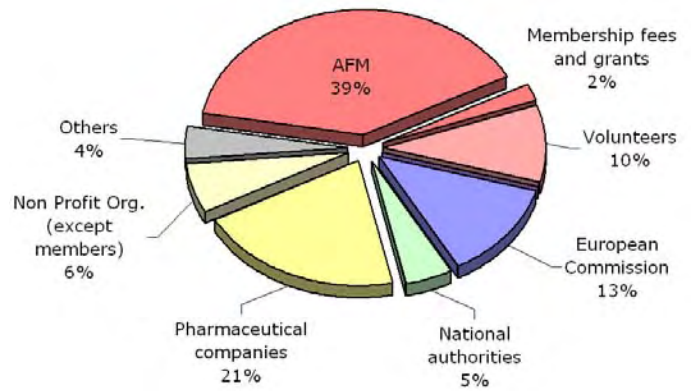
Jean Elie
Treasurer

³ TOTAL EXPENSES (I + II + III) + TOTAL IN KIND CONTRIBUTION: 1,247,690 + 429,361

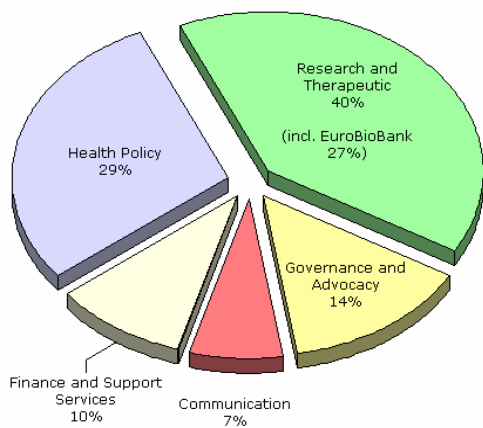
Revenue and expenses 2005 - 2006 (in thousand of euros)



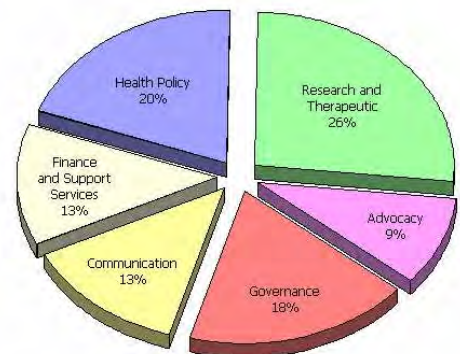
Revenue 2005 = 1,698



Revenue 2006 = 1,676



Expenses 2005 = 1,845



Expenses 2006 = 1,677

ASSETS

	As at		31/12/2006	31/12/2005
	Period		12 months	12 months
	Gross	Depreciation	Net	Net
FIXED ASSETS				
Intangible assets	10 212	8 688	1 524	694
Tangible assets	81 501	44 827	36 674	17 721
Financial assets	532	0	532	457
TOTAL	92 245	53 515	38 730	18 872
CURRENT ASSETS				
Trade debtors	421 059	0	421 059	542 732
Marketable securities	381 776	0	381 776	329 168
Cash	547 941	0	547 941	9 368
Prepaid expenses	7 992	0	7 992	695
TOTAL	1 358 768	0	1 358 768	881 963
TOTAL ASSETS	1 451 013	53 515	1 397 498	900 835

LIABILITIES

ASSOCIATION FUNDS		
Profit & loss brought forward	215 337	138 433
Profit & loss for the year	22 552	76 904
Subsidies of investment	3 870	4 596
TOTAL	241 759	219 933
Provisions for risk and charges	51 605	181 368
Dedicated funds on grants	0	24 102
DEBTS		
Bank loans and overdraft	0	24 432
Trade creditors	75 437	112 312
Tax payable and social liabilities	131 418	88 017
Other debts	326 434	248 631
Prepaid income	570 845	2 040
TOTAL LIABILITIES	1 397 498	900 835

PROFIT & LOSS

As at Period	31/12/2006	31/12/2005
	12 months	12 months
	Net	Net
OPERATING INCOME		
Income for services	25 120	4 600
Members subscriptions	19 490	21 179
Gifts and donations	411 525	279 933
Operating subsidies	666 782	869 468
Other operating income	30 334	43 871
Recaptures on depreciations and reserves, expense transfer	3 022	19 406
TOTAL OPERATING INCOME (I)	1 156 273	1 238 457
OPERATING EXPENSES		
Raw materials purchases	0	55
Other purchases and external charges	409 825	511 576
Taxes and assimilated payments	43 848	50 684
Salaries and Wages expenses	472 838	427 520
Social charges	211 217	187 899
Operating allowances on fixed assets and contingencies	10 517	10 737
Provision for liabilities	0	129 763
Other expenses	22 734	25 861
TOTAL OPERATING EXPENSES (I)	1 170 979	1 344 095
TOTAL FINANCIAL INCOME (II)	7 660	5 263
TOTAL FINANCIAL EXPENSES (II)	39	2
TOTAL EXTRAORDINARY INCOME (III)	82 207	300 580
TOTAL EXTRAORDINARY EXPENSES (III)	76 672	346 291
TOTAL INCOME (I + II + III)	1 246 140	1 544 300
TOTAL EXPENSES (I + II + III)	1 247 690	1 690 388
Report of non-used income of previous year	24 102	247 094
Commitment on assigned income	0	24 102
PROFIT or LOSS	22 552	76 904
Evaluation of the voluntary contributions in kind		
Help in kind		
Placed at the free disposal of goods and services	251 306	147 816
Prestations	9 362	6 089
Voluntary personal	168 693	0
TOTAL IN KIND CONTRIBUTION	429 361	153 905

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