

# **EUROPEAN FEDERATION OF EMPLOYEE SHARE OWNERSHIP FEDERATION EUROPEENNE DE L'ACTIONNARIAT SALARIE**

## **EXTRAORDINARY GENERAL MEETING OF MEMBERS ON SEPTEMBER 25, 2004**

Held at EFES, 135 Avenue Voltaire, Bruxelles, 10 a.m. -

### **Decisions to be taken**

1. Approval: Attendance and proxies
2. Approval: Report and minutes of the general meeting of April 30, 2004
3. Approval: Financial report, accounts 2003 and budget 2004
4. Decision about the idea of a new audit
5. Approval: Final discharge to the directors
6. Approval: Changes in the Board (FAS France retires from the Board)

Meeting opened by Marc Mathieu. Chair of meeting: Pierre Vanrijkel. Minutes in English, Gurli Jakobsen.

### **1. Attendance, votes and proxies**

#### *Organisation members:*

Ass. Actionnaires Salariés ING/Pierre Vanrikjel, KSLP/Zdenek Srein, FAS France/Jean-Claude Mothie, Philippe Bernheim, Vincent Dutfoy, Share-participation Foundation/Janos Lukacs, Nederlands Participatie Instituut/Arie de Ruyter, DEZAP/Zvone Zupan, MCC/Adrian Celaya, CONFESAL and ASLE/Javier San Jose, Employee Ownership Scotland/Hugh Donnelly, JOL/David Wheatcroft, EFES Belgium/Marc Mathieu

#### *Individual members:*

Gorm Winther, Myriam Biot, Dan Bell, Ryszard Stocki, Gurli Jakobsen, Ingrid Voigt (proxy)

MM clarifies the distribution of votes. Votes are given to individual members, and organisations members. Members that are both personal members and represent an organisation have multiple votes. Example: Pierre has 7 votes. Jean Claude and Vincent share one vote as both are representatives of the same organisation, FAS. There is a total of 26 votes present at this meeting.

List of participants and distribution of votes is approved unanimously

The agenda is approved unanimously .

### **2. Report and minutes of the general meeting of April 30, 2004.**

The report and minutes were unanimously accepted.

### **3. Financial report, accounts 2003 and budget 2004**

MM clarifies the situation of EFES during the last year, and his personal role and involvement. See written report from MM.

The economically very difficult period of EFES was last year (2003). Urgent help was asked and members have contributed with real help. A contribution as to the costs of the Bilbao conference is being asked.

After listening to an extensive presentation by MM the assembly accepted the clarification as expressed by Ariel de Ruyter:

"In Holland we appreciate the elucidation you (MM) have given on the accounts of EFES and your roles. We have the information now, and are impressed about your personal dedication. We were informed we needed clarification. We are completely satisfied for that."

The report was unanimously accepted.

#### **Financial accounts 2003**

See written report.

Compared to the average costs of a lobbying organisation, the economic basis for EFES is considerably below average. MM has personally put guarantee for the bank loan of EFES.

After an extensive discussion of the accounts, among them: the quality of the external auditing (see below) and the composition of the deficit of the Bilbao meeting in November 2002, the financial account was approved unanimously.

#### Budget 2004

The important news is that the EOLE Project has come through, and is relatively well financed also on administrative costs.

The budget was approved unanimously

#### **4. About the idea of a new audit**

EFES as a non-profit organisation is not legally obliged to have an external auditing, but this obligation was well decided in EFES statutes. Until now, an external Belgian nationally certified auditor made the audit and the certification of accounts for years 2001, 2002 and 2003.

The discussion made it obvious that there is a need for clarification across nations what is partial and complete auditing, and the general assembly asks the board to assess the need of the EFES in this respect for the coming year.

##### *Elements from the discussion:*

*There was a discussion on the understanding of the content of a "complete auditing".*

*Gorm expressed his wonder on the fee of 700 euros, whether the auditing included a control of the papers. MM clarified that it is a certified auditor - who is a specialist in the situation of non-profit organisations, and that the size of the fee more reflect the modest economic results of EFES than the quality of the auditing, as there normally is a positive relationship between the size of the fee and the size of the turnover. The auditor asked questions and asked for evidence.*

*There was a clarification of the motivation behind asking for a external auditing at the April meeting on the part of board members. It was with the intention to have an external auditor make an evaluation of the viability of the EFES economic set-up. The discussion revealed two interpretations of what a complete auditing implies among the present members.*

*Jean Claude: "6 months ago we asked for a clarification with an auditor, with the intention of clarified what was behind the figures. Is it enough? We thought that a complete auditing was important. FAS is satisfied now."*

*Adrian: "I am not very happy with this, it is a partial audit, we did not just expect a verification of the accounts. Transparency is very important in this type of organisations"*

*Vincent: "The question was to get a complete audit. I want to stress that we did not expect to find bad accounts through an auditing. We asked for an auditing from a wish to find out how to get out of this economic deficit. Another issue that this discussion brings to attention is the bad habit of most non-profit organisations to have the manager choose the auditor. In principle it should be board members that took this task."*

*Dan - gave an example of the arrangement practised in US non-profits which to have a subcommittee that deals with the auditor, nor the director/manager.*

Decision: It was unanimously decided that there is no need for a second auditing now.

A proposal to have a complete audit every 2 years was not approved, but the assembly asks the coming executive committee to clarify what is a complete audit and a partial audit respectively, and to make a new proposal on next year.

#### **5. Final discharge to the directors**

The directors were discharged.

#### **6. Changes in the Board (FAS France retires from the Board)**

The 3 FAS-members clarified the decision of FAS to withdraw from the EFES Board.

Philippe : The 13/7/2004 FAS, as an organisation, resigned from the Board of Directors and from the Executive Office of EFES. We are here in our capacity as members of EFES.

Jean Claude: There is no lack of confidence in management behind this step, but at the time FAS told me to leave the Board. It was a decision of the Board at the time of bad economics, but there

is still a support for EFES and for EOLE. It is not lack of confidence. In the future we may come back.

Arie de Ruyter proposed a vote on the following pronouncement:

"We approve and regret the resignation of the FAS from the Board of EFES on July 13, 2004, and we appeal to FAS to reconsider their decision for the future and invite Jean-Claude Mothie as a permanent guest/consultant to the Board of EFES."

Approved by the assembly with 2 votes against and no abstentions.

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Meeting finished by 2.30 p.m.