

ASSOCIATION HIMAYA
Financial Statements
December 31, 2019

Independent Auditor's Report
To the Board of Directors of Himaya Association
Beirut, Lebanon

We have audited the financial statements of the Association, which comprise the statement of financial position as at December 31, 2019, and the statement of funds received and disbursements and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material aspects, the financial position of Himaya Association as at December 31, 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

The COVID-19 virus has major impacts on global markets, supply baskets, companies, organizations and societies. COVID-19 may also affect various parts of its 2020 operation and financial results. Management believes that the association is taking appropriate measures to mitigate the effects of the negative virus. However the full effect of COVID-19 is unknown and cannot be reasonably estimated as these events occurred after the end of the year and are still evolving.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 Association within the meaning of relevant ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

The objectives of our audit 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 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.

Auditor's Responsibilities for the Audit of the Financial Statements

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the planning and performance of the audit. We also:

- 1- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 2- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control.
- 3- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 4- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements present underlying transactions and events in a manner that achieves fair presentation.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control related to the Project that we identify during our audit



Dr. Mosbah Majzoub
June 4, 2021
Beirut ,Lebanon

Himaya Association
Statement of Funds Received and Disbursements
For the Year Ended December 31, 2019

		2019
<u>Donations & Other Income</u>	<u>Note</u>	<u>USD</u>
Donations		
Funds Received	3	3,516,851
Other Income		
Bank Interest & Charges		32,601
Total Income		3,549,452
<u>Expenditures</u>		
Temporary Personnel		2,081,004
Employee Benefits		19,820
NSSF		308,277
Post and Telecommunication Charges		2,398
Transportation Expenses		124,661
Fuel Expenses		41,359
Car Rental		79,786
Travel Expenses		3,028
Maintenance		21,285
Rent		106,676
Utilities Costs		26,150
Events, Activities and Animation		164,519
Audit and Consulting Fees		59,362
Professional Services		54,816
IT Expenses		14,971
Medical Assistance		15,561
Publicity and Advertisement		16,713
Food & Beverage		34,266
Insurance Premium		127
Running Costs		74,546
Indirect Costs		48,550
Community Initiatives		37,053
Communication Costs		33,138
Translation		1,070
Incentives		944
Formalities & Documentation		78,447
Office Supplies		71,949
Household and Cleaning		9,169
Board Expenses		15,167
Other Expenses		48,907
Discount and Allowances		(2,295)
Taxes		48,068
Depreciation	4, 2E	24,025
End of Service Provision		33,831
Other Operating Expenses		21,851
Fines & Penalties		8,396
Total Expenditures		3,727,595
Change in Net Assets		(178,143)

The attached notes form part of these financial statements.

Himaya Association
Statement of Financial Position
As of December 31, 2019

		2019	2018
	<i>Notes</i>	<i>USD</i>	<i>USD</i>
ASSETS			
Non-Current Assets			
Tangible Fixed Assets	2E, 4	140,165	163,992
Long-term Deposit		647,477	-
		<u>787,642</u>	<u>163,992</u>
Current Assets			
Other Receivables	2F, 5	142,211	146,960
Banks & Cash	2G, 6	353,710	1,126,021
		<u>495,921</u>	<u>1,272,981</u>
TOTAL ASSETS		<u>1,283,563</u>	<u>1,436,973</u>
RETAINED FUNDS AND LIABILITIES			
Retained Funds			
Funds for Non-funded Projects		647,477	1,420,090
Funds for Funded Projects		594,470	
Total Retained Funds		<u>1,241,947</u>	<u>1,420,090</u>
Non -Current Liabilities			
End of Service Indemnity	2H	41,616	7,785
Current Liabilities			
Other Payables	2I, 7	-	5,916
Tax Liabilities		-	3,182
Total Liabilities		<u>41,616</u>	<u>16,883</u>
TOTAL RETAINED FUNDS AND LIABILITIES		<u>1,283,563</u>	<u>1,436,973</u>

The attached notes form part of these financial statements.

Himaya Association
Statement of Cash Flows
For the Year Ended December 31, 2019

	2019 <i>USD</i>	2018 <i>USD</i>
Operating Activities		
Changes in Net Assets	(178,143)	840,566
Depreciation	24,025	23,617
End of Service Indemnity Provision Expense	33,831	-
	<u>(120,287)</u>	<u>864,183</u>
 Working Capital Changes:		
Other Receivables	4,749	(118,335)
Other Payables	(5,916)	(100,869)
Tax Liability	(3,182)	(471)
Net Cash (Used in) / Provided by Operating Activities	<u>(124,636)</u>	<u>644,508</u>
 Investing Activities		
Purchase of Property and Equipment	(198)	(6,162)
Long-term Deposit	(647,477)	-
Net Cash Used in Investing Activities	<u>(647,675)</u>	<u>(6,162)</u>
 (Decrease) Increase in Cash and Cash Equivalents	<u>(772,311)</u>	<u>638,346</u>
 Cash and cash equivalents at January 1	1,126,021	487,675
 Cash and Cash Equivalents at December 31	<u><u>353,710</u></u>	<u><u>1,126,021</u></u>

The attached notes form part of these financial statements.

ASSOCIATION HIMAYA
Notes to the Financial Statements
As of December 31, 2019

1 Activities

Himaya is a specialized NGO in the child protection sector, working to prevent violence against children and offer the support needed for abused children on a psychosocial and legal level. It has been registered in the Ministry of Interior on the 27th of May 2009 under No.748.

The association promotes an environment suitable for the development of children and ensure their global protection via fighting and preventing abuse on lebanese ground; eventually allowing them to be reintegrated as productive and active members of society.

2 Significant Accounting Policies

A. Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards.

B. Basis of Measurement

The financial statements are prepared under the historical cost convention.

C. Functional and Presentation Currency

The accounting books of the company are maintained in Lebanese Pounds (LBP).

D. Foreign Currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of funds received and disbursements.

E. Property and Equipment

Property and equipment is stated at cost less accumulated depreciation and any impairment in value.

Depreciation is calculated on a straight line basis over the estimated useful life of the asset as follows:

Office & Computer Equipment	20%
Furniture & Fixtures	8%
Transportation Equipments	6%
Office & Internal Supplies	8%

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate that carrying value may not be recoverable. If any such indication exists and where the carrying value exceeds the estimated recoverable amount, the assets are written down to their recoverable amount, being the higher of their value less costs to sell and their value in use.

Expenditures incurred to replace a component of an item of equipment that is accounted for separately are capitalized and the carrying amount of the component that is replaced is written off. Other subsequent expenditures are capitalized only when it increases future economic benefits of related item of equipment. All other expenditures are recognized in the income statement as the expense is incurred.

F. Other Receivables

Trade Receivables are carried at original invoice amount less provision for doubtful debits.

G. Cash and Banks

For the purpose of the statement of cash flows, cash and banks consist of cash in hand, bank balances and short term deposits with an original maturity of three months or less, net of outstanding bank overdrafts.

H. Employees End of Service benefits

End of Service benefits are due to employees after completing 20 years of service, or at the retirement age, or if the employee permanently leaves employment, in this respect subscriptions are paid to the NATIONAL SOCIAL SECURITY FUND (NSSF). The association is liable to pay to the NSSF the difference between the subscriptions paid calculated at 8.5% and the final end of service benefits due to the employee, this difference covered by a specific provision under liability.

I. Other Payables

Liabilities are recognized for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

J. Provisions

Provisions are recognized when the company has an obligation (legal or constructive) arising from a past event, and the costs to settle the obligation are both probable and able to be reliably measured.

K. Comparative

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

L. COVID-19 and Its Impact on Financial Instruments

COVID-19 virus has major impacts on global markets, supply baskets, companies and societies. COVID-19 may also affect various parts of its 2020 operation and financial results. The management believes that the company is taking appropriate measures to mitigate the effects of the negative virus. However the full effect of COVID-19 is unknown and cannot be reasonably estimated as these events occurred after the end of the year and are still evolving.

ASSOCIATION HIMAYA
Notes to the Financial Statements
As of December 31, 2019

3 Funds Received

	2019 USD
Local Donors	135,844
Donations on Salaries	16,952
UNHCR	892,577
UNICEF	1,510,035
OCHA	189,031
SSI	136,281
Fundraising	146,337
CBRD	4,622
UNCHR BML	162,341
AL Madad Foundation	16,570
Plan Donation	77,104
Restart	6,768
World Vision	61,314
BPRM	97,343
Tangible Fixed Assets	21,800
Training Income	20,421
Other Income	21,511
	<u>3,516,851</u>

4 Tangible Fixed Assets

	General Installations USD	Transportation Equipment USD	Office & Computer Equipment USD	Furniture & Fixtures USD	Total USD
Cost:					
At January 1, 2019	62,439	33,544	78,000	63,541	237,524
Additions	-	-	198	-	198
At December 31, 2019	<u>62,439</u>	<u>33,544</u>	<u>78,198</u>	<u>63,541</u>	<u>237,722</u>
Accumulated Depreciation:					
At January 1, 2019	10,060	7,190	38,454	17,828	73,532
Depreciation for the Year	3,783	2,013	13,156	5,073	24,025
At December 31, 2019	<u>13,843</u>	<u>9,203</u>	<u>51,610</u>	<u>22,901</u>	<u>97,557</u>
Net Book Value					
At December 31, 2019	<u>48,596</u>	<u>24,341</u>	<u>26,588</u>	<u>40,640</u>	<u>140,165</u>
At December 31, 2018	<u>52,379</u>	<u>26,354</u>	<u>39,546</u>	<u>45,713</u>	<u>163,992</u>

5 Other Receivables

	2019 USD	2018 USD
Donors	12,101	20,463
Staff Accounts	8,795	5,305
Other Debtors	121,315	121,192
	<u>142,211</u>	<u>146,960</u>

6 Cash & Banks

	2019 USD	2018 USD
Banque Libano-Française - UNCF	187,075	589,224
Banque Libano-Française - UNHCR	44,391	(8,996)
Banque Libano-Française - Plan	14,236	119,367
Banque Libano-Française - Board Account	117,136	659,315
Banque Libano-Française - OCHA	127,218	4,169
Banque Libano-Française - Current Account (USD)	2,643	-
Banque Libano-Française - Current Account (EURO)	12,243	2,844
Outstanding Checks	(156,689)	-
Cash	5,457	7,170
	<u>353,710</u>	<u>1,126,021</u>

7 Other Payables

	2019 USD	2018 USD
Due to Social Security	-	-
Other Payables	-	5,916
	<u>-</u>	<u>5,916</u>