

**ASSOCIATION HIMAYA**  
**Financial Statements**  
**December 31, 2020**

**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, 2020, 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, 2020, 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 28, 2021  
Beirut ,Lebanon

**Himaya Association**  
**Statement of Funds Received and Disbursements**  
**For the Year Ended December 31, 2020**

|                                            |                    | <b>2020</b>       | <b>2019</b>       |
|--------------------------------------------|--------------------|-------------------|-------------------|
| <b><u>Donations &amp; Other Income</u></b> | <b><u>Note</u></b> | <b><u>USD</u></b> | <b><u>USD</u></b> |
| <b>Donations</b>                           |                    |                   |                   |
| Funds Received                             | 3                  | 4,557,691         | 3,516,851         |
| <b>Other Income</b>                        |                    |                   |                   |
| Foreign Currency Exchange Difference       |                    | 5,969             | -                 |
| Bank Interest & Charges                    |                    | 9,591             | 32,601            |
| <b>Total Income</b>                        |                    | <b>4,573,251</b>  | <b>3,549,452</b>  |
| <b><u>Expenditures</u></b>                 |                    |                   |                   |
| Temporary Personnel                        |                    | 261,314           | 2,081,004         |
| Employee Salaries                          |                    | 1,977,387         | -                 |
| Employee Benefits                          |                    | 120,458           | 19,820            |
| NSSF                                       |                    | 390,834           | 308,277           |
| Post and Telecommunication Charges         |                    | 17,748            | 2,398             |
| Transportation Expenses                    |                    | 22,612            | 124,661           |
| Fuel Expenses                              |                    | 23,989            | 41,359            |
| Car Rental                                 |                    | 170,314           | 79,786            |
| Travel Expenses                            |                    | 18,959            | 3,028             |
| Maintenance                                |                    | 5,830             | 21,285            |
| Rent Expense                               |                    | 85,020            | 106,676           |
| Utilities Costs                            |                    | 17,921            | 26,150            |
| Events, Activities and Animation           |                    | 220,866           | 164,519           |
| Audit and Consulting Fees                  |                    | 61,439            | 59,362            |
| Professional Services                      |                    | 27,771            | 54,816            |
| IT Expenses                                |                    | 50,275            | 14,971            |
| Medical Assistance                         |                    | 11,605            | 15,561            |
| Publicity and Advertisement                |                    | 23,458            | 16,713            |
| Food & Beverage                            |                    | 36,648            | 34,266            |
| Insurance Premium                          |                    | 410               | 127               |
| Running Costs                              |                    | 76,315            | 74,546            |
| Indirect Costs                             |                    | 43,178            | 48,550            |
| Community Initiatives                      |                    | 31,784            | 37,053            |
| Communication Costs                        |                    | 45,949            | 33,138            |
| Translation                                |                    | 1,450             | 1,070             |
| Incentives                                 |                    | 74,966            | 944               |
| Formalities & Documentation                |                    | 3,945             | 78,447            |
| Office Supplies                            |                    | 173,570           | 71,949            |
| Household and Cleaning                     |                    | 11,377            | 9,169             |
| Board Expenses                             |                    | 12,542            | 15,167            |
| Other Expenses                             |                    | 26,996            | 48,907            |
| Discount and Allowances                    |                    | (813)             | (2,295)           |
| Taxes                                      |                    | 48,140            | 48,068            |
| Depreciation                               | 4, 2E              | 18,527            | 24,025            |
| End of Service Indemnity Provision         |                    | 32,317            | 33,831            |
| Other Operating Expenses                   |                    | -                 | 21,851            |
| Fines & Penalties                          |                    | -                 | 8,396             |
| <b>Total Expenditures</b>                  |                    | <b>4,145,101</b>  | <b>3,727,595</b>  |
| <b>Change in Net Assets</b>                |                    | <b>428,150</b>    | <b>(178,143)</b>  |

The attached notes form part of these financial statements.

**Himaya Association**  
**Statement of Financial Position**  
**As of December 31, 2020**

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|                                             |              | <b>2020</b>             | <b>2019</b>             |
|---------------------------------------------|--------------|-------------------------|-------------------------|
| <b>ASSETS</b>                               | <i>Notes</i> | <b><u>USD</u></b>       | <b><u>USD</u></b>       |
| <b>Non-Current Assets</b>                   |              |                         |                         |
| Tangible Fixed Assets                       | 2E, 4        | 121,638                 | 140,165                 |
| Long-term Deposit                           |              | 276,000                 | 647,477                 |
|                                             |              | <u>397,638</u>          | <u>787,642</u>          |
| <b>Current Assets</b>                       |              |                         |                         |
| Other Receivables                           | 2F, 5        | 143,001                 | 142,211                 |
| Banks & Cash                                | 2G, 6        | 1,203,391               | 353,710                 |
|                                             |              | <u>1,346,392</u>        | <u>495,921</u>          |
| <b>TOTAL ASSETS</b>                         |              | <u><u>1,744,030</u></u> | <u><u>1,283,563</u></u> |
| <b>RETAINED FUNDS AND LIABILITIES</b>       |              |                         |                         |
| <b>Retained Funds</b>                       |              |                         |                         |
| Funds for Non-funded Projects               |              | 276,000                 | 647,477                 |
| Funds for Funded Projects                   |              | 1,394,097               | 594,470                 |
| <b>Total Retained Funds</b>                 |              | <u>1,670,097</u>        | <u>1,241,947</u>        |
| <b>Non-Current Liabilities</b>              |              |                         |                         |
| End of Service Indemnity                    | 2H           | <u>73,933</u>           | <u>41,616</u>           |
| <b>TOTAL RETAINED FUNDS AND LIABILITIES</b> |              | <u><u>1,744,030</u></u> | <u><u>1,283,563</u></u> |

The attached notes form part of these financial statements.

**Himaya Association**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2020**

|                                                              | <b>2020</b>             | <b>2019</b>           |
|--------------------------------------------------------------|-------------------------|-----------------------|
|                                                              | <b><u>USD</u></b>       | <b><u>USD</u></b>     |
| <b>Operating Activities</b>                                  |                         |                       |
| Changes in Net Assets                                        | 428,150                 | (178,143)             |
| Depreciation                                                 | 18,527                  | 24,025                |
| End of Service Indemnity Provision Expense                   | 32,317                  | 33,831                |
|                                                              | <u>478,994</u>          | <u>(120,287)</u>      |
| <br>Working Capital Changes:                                 |                         |                       |
| Other Receivables                                            | (790)                   | 4,749                 |
| Other Payables                                               | -                       | (5,916)               |
| Tax Liability                                                | -                       | (3,182)               |
| <b>Net Cash Provided by / (Used in) Operating Activities</b> | <u>478,204</u>          | <u>(124,636)</u>      |
| <br><b>Investing Activities</b>                              |                         |                       |
| Purchase of Property and Equipment                           | -                       | (198)                 |
| Long-term Deposit                                            | 371,477                 | (647,477)             |
| <b>Net Cash Provided by (Used in) Investing Activities</b>   | <u>371,477</u>          | <u>(647,675)</u>      |
| <br><b>Increase (Decrease) in Cash and Cash Equivalents</b>  | 849,681                 | (772,311)             |
| <br>Cash and cash equivalents at January 1                   | 353,710                 | 1,126,021             |
| <br><b>Cash and Cash Equivalents at December 31</b>          | <u><u>1,203,391</u></u> | <u><u>353,710</u></u> |

The attached notes form part of these financial statements.

**ASSOCIATION HIMAYA**  
**Notes to the Financial Statements**  
**As of December 31, 2020**

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**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 under the cash basis of accounting.

**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, 2020**

|                       |           |           |
|-----------------------|-----------|-----------|
| 3 Funds Received      | 2020      | 2019      |
|                       | USD       | USD       |
| Local Donors          | 31,590    | 135,844   |
| Donations on Salaries | 5,422     | 16,952    |
| UNHCR                 | 1,002,247 | 892,577   |
| UNICEF                | 1,767,675 | 1,510,035 |
| OCHA                  | -         | 189,031   |
| SSI                   | 39,965    | 136,281   |
| Fundraising           | 10,968    | 146,337   |
| CBRD                  | -         | 4,622     |
| UNCHR BML             | 176,467   | 162,341   |
| UNHCR South           | 43,268    | -         |
| AL Madad Foundation   | 2,929     | 16,570    |
| Plan Donation         | 153,338   | 77,104    |
| Restart               | -         | 6,768     |
| World Vision          | 16,448    | 61,314    |
| BPRM                  | 257,771   | 97,343    |
| RDPP                  | 140,132   | -         |
| Save The Children     | 5,664     | -         |
| Act for Lebanon       | 5,120     | -         |
| Special Crisis        | 249,335   | -         |
| Concern               | 52,017    | -         |
| L.I.F.E               | 39,317    | -         |
| Perspective Partner   | 6,871     | -         |
| Plan Bey Response     | 149,996   | -         |
| Eduard Cortout        | 49,990    | -         |
| Tangible Fixed Assets | 10,092    | 21,800    |
| Training Income       | -         | 20,421    |
| Other Income          | 341,068   | 21,511    |
|                       | 4,557,691 | 3,516,851 |

|                           |                       |                          |                             |                      |         |
|---------------------------|-----------------------|--------------------------|-----------------------------|----------------------|---------|
| 4 Tangible Fixed Assets   | General Installations | Transportation Equipment | Office & Computer Equipment | Furniture & Fixtures | Total   |
|                           | USD                   | USD                      | USD                         | USD                  | USD     |
| Cost:                     |                       |                          |                             |                      |         |
| At January 1, 2020        | 62,439                | 33,544                   | 78,198                      | 63,541               | 237,722 |
| Additions                 | -                     | -                        | -                           | -                    | -       |
| At December 31, 2020      | 62,439                | 33,544                   | 78,198                      | 63,541               | 237,722 |
| Accumulated Depreciation: |                       |                          |                             |                      |         |
| At January 1, 2020        | 13,843                | 9,203                    | 51,610                      | 22,901               | 97,557  |
| Depreciation for the Year | 3,783                 | 2,012                    | 7,649                       | 5,083                | 18,527  |
| At December 31, 2020      | 17,626                | 11,215                   | 59,259                      | 27,984               | 116,084 |
| Net Book Value            |                       |                          |                             |                      |         |
| At December 31, 2020      | 44,813                | 22,329                   | 18,939                      | 35,557               | 121,638 |
| At January 1, 2020        | 48,596                | 24,341                   | 26,588                      | 40,640               | 140,165 |

|                     |         |         |
|---------------------|---------|---------|
| 5 Other Receivables | 2020    | 2019    |
|                     | USD     | USD     |
| Donors              | -       | 12,101  |
| Staff Accounts      | -       | 8,795   |
| Other Debtors       | 143,001 | 121,315 |
|                     | 143,001 | 142,211 |

|                                                  |           |           |
|--------------------------------------------------|-----------|-----------|
| 6 Cash & Banks                                   | 2020      | 2019      |
|                                                  | USD       | USD       |
| Banque Libano-Française - UNCF                   | 403,258   | 187,075   |
| Banque Libano-Française - UNHCR                  | 44,440    | 44,391    |
| Banque Libano-Française - UNHCR/South            | 7,051     | -         |
| Banque Libano-Française - UNHCR/BEK              | 22,093    | -         |
| Banque Libano-Française - UNHCR/BML              | 12,836    | -         |
| Banque Libano-Française - UNHCR/SAID             | 2,909     | -         |
| Banque Libano-Française - Plan                   | 8,473     | 14,236    |
| Banque Libano-Française - Board Account          | 695,944   | 117,136   |
| Banque Libano-Française - OCHA                   | 2,871     | 127,218   |
| Banque Libano-Française - Current Account (USD)  | 335,536   | 2,643     |
| Banque Libano-Française - Current Account (EURO) | 264       | 12,243    |
| Banque Libano-Française - Current Account (GBP)  | 117       | -         |
| Outstanding Checks                               | (341,526) | (156,689) |
| Cash                                             | 9,125     | 5,457     |
|                                                  | 1,203,391 | 353,710   |