

HIMAYA

**Independent Audit report
and Financial statements
for the year ended 31 December 2021**

HIMAYA

Independent auditor's report for the year ended 31 December 2021

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INDEPENDENT AUDITOR'S REPORT

To the Management Committee of
HIMAYA

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **HIMAYA** (the Association), which comprise the statement of financial position as at 31st December 2021, and the statement of operations and cash flows for the year then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at 31st December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

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 Company in accordance with the International Ethics Standard Board for Accountants' Code of Ethics for Professional Accountants (IASBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Lebanon, 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.

Going Concern

The Association financial statements have been prepared using the going concern basis of accounting. The use of this basis of accounting is appropriate unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so. As part of our audit of the financial statements, we have concluded that management's use of the going concern basis of accounting in the preparation of the Association's financial statements is appropriate.

Management has not identified a material uncertainty that may cast significant doubt on the entity's ability to continue as a going concern, and accordingly none is disclosed in the financial statements. Based on our audit of the financial statements, we also have not identified such a material uncertainty. However, neither management nor the auditor can guarantee the Association's ability to continue as a going concern.

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

Management of the Association 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.

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:

- 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.
- 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We are also required to provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other matters

The financial statements of Himaya for the year ended 31 December 2020 were audited by other auditors who expressed an unmodified opinion in their report. The figures of the fiscal year 2020 are presented in this report for comparative reasons only.

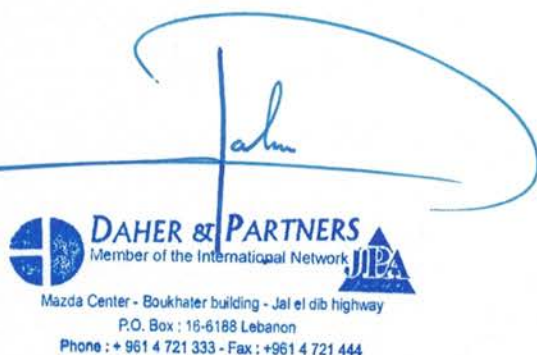
The engagement partner on the audit resulting in this independent auditor's report is Nadim A. Daher.

DAHER & PARTNERS

Civil Professional Company - LACPA registration number 70/2009

Mazda center - Boukather building - Jal El Dib highway - Jal El Dib - Lebanon

Beirut, 4th February 2022



HIMAYA

Financial statements for the year ended 31 December 2021

STATEMENT OF FINANCIAL POSITION

<i>Amounts in US Dollars</i>	<i>Note</i>	31-Dec-21	31-Dec-20
ASSETS			
Non-current assets			
Tangible fixed assets		293,411	237,722
Accumulated depreciation		(131,638)	(116,084)
Tangible assets, net		161,773	121,638
Financial fixed assets		-	276,000
Total non-current assets	6	161,773	397,638
Current assets			
Other receivables	7	36,928	143,001
Donations to be received	8	60,385	-
Advances to employees		655	-
Cash & banks	9	1,692,540	1,203,393
Total current assets		1,790,508	1,346,394
Total Assets		1,952,281	1,744,032
EQUITY & LIABILITIES			
Equity			
Accumulated surplus		1,670,099	1,241,949
Previous years adjustments		(407,345)	-
Surplus (deficit) of the year		109,910	428,150
Total equity		1,372,664	1,670,099
Non-current liabilities			
Provisions for end of service indemnity		81,441	73,933
Total non-current liabilities		81,441	73,933
Current liabilities			
Tax payables	10	24,936	-
Other payables	11	6,883	-
Unearned donations	12	466,357	-
Total current liabilities		498,176	-
Total Equity & Liabilities		1,952,281	1,744,032

The accompanying notes form an integral part of the financial statements and should be read in conjunction with them.

Note: it is worth noting that the figures in LBP have been converted to USD at the official rate of 1,507.5 LBP/USD while the USD rate is fluctuating at a much higher rate on the parallel market that reached around 27,500 LBP/USD as at 31st December 2021.

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Financial statements for the year ended 31 December 2021

STATEMENT OF OPERATIONS

<i>Amounts in US Dollars</i>	<i>Note</i>	31-Dec-21	31-Dec-20
Income / sources of funds			
Funds received	13	4,361,837	4,557,691
Other income		45,525	-
Interest revenues earned from banks		70	9,591
Positive difference of exchange		-	5,969
Total income		4,407,432	4,573,251
Disbursements			
Cost of projects		(1,613,807)	(1,454,736)
Salaries & Social security charges		(2,533,647)	(2,368,221)
Administrative expenses	14	(94,722)	(223,160)
Depreciation charge		(15,554)	(18,527)
Taxes and fees		(15,512)	(48,140)
Provision for end of service indemnity		(7,508)	(32,317)
Bank interest and commission charges		(16,772)	-
Total disbursements		(4,297,522)	(4,145,101)
Surplus (Deficit) of the year		109,910	428,150
Depreciation and amortization		15,554	18,527
Provision for end of service indemnity		7,508	32,317
Reversal of non-cash charges		23,062	50,844
(Increase) decrease in other receivables & related accounts		45,033	(790)
Increase (decrease) in other payables & related accounts		498,176	-
Net change in working capital		566,271	50,054
Variation in fixed assets		220,311	371,477
Cash flows from investing activities		220,311	371,477
Previous years adjustments		(407,345)	-
Cash flows from financing activities		(407,345)	-
Net cash flow of the year		489,147	1,203,393
Cash brought forward from last year		1,203,393	353,712
Net cash position at the end of the year		1,692,540	1,557,105
Cash and cash equivalents (In USD)		31-Dec-21	31-Dec-20
Banks		1,650,162	1,193,743
Cash on hand		42,378	9,650
Total cash and cash equivalents		1,692,540	1,203,393

The accompanying notes form an integral part of the financial statements and should be read in conjunction with them.

1. Establishment and operations

HIMAYA was incorporated under Ministry of Interior notification n° 748 dated 27th May 2009.

2. Local address

The address of the association is in St. Rita Building, Street 58, Fanar, Lebanon.

3. Objectives and activities

The objectives of the association are as follows:

- Support and encourage the creation of protective societies for children and adolescents who are exposed to neglect, abuse, violence and moral harassment.
- Conduct campaigns to engage the community in supporting and protecting vulnerable groups.

4. Representative of the Association

The general assembly of HIMAYA held on the 10th September 2021 elected the following executive board members representing the association:

Mrs. Viviane Debbas:	President
Mrs. Lilia Sabbagh:	Vice President
Mr. Richard Haykel:	Secretary and accountant
Mr. Joseph Otayek:	Treasurer

5. Main accounting principles

The financial statements and accompanying notes are prepared in accordance with International Financial Reporting Standards (IFRS) applied in Lebanon on a cash basis.

Consistency

In order for users to be able to compare the performance of the association in between periods, consistent accounting policies and procedures are applied by the association from one period to another. This does not mean that the association cannot change accounting policies if it changes in its activities, however, the cumulative effect of the change must be accounted for and disclosed in the financial statements.

Going concern assumption

It is presumed (subject to rebuttal by evidence to the contrary) that the association will continue to operate in the foreseeable future.

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Notes to the financial statements for the year ended 31 December 2021

6. Non-Current assets

This caption represents the net fixed assets detailed as follows:

<i>Amounts in US Dollars</i>	Gross value			Balance as at 31-Dec-21
	Balance as at 1-Jan-21	Additions of the year	Variation of the year	
Tangible assets				
General installations	62,440	5,049	-	67,489
Transportation equipment	33,544	-	-	33,544
Office & computer equipment & software	78,198	50,640	-	128,838
Furniture	63,540	-	-	63,540
Total tangible assets	237,722	55,689	-	293,411
Financial assets				
Deposits	276,000	-	(276,000)	-
Total financial assets	276,000	-	(276,000)	-
Total	513,722	55,689	(276,000)	293,411

<i>Amounts in US Dollars</i>	Accumulated depreciation			Net book value as at 31-Dec-21
	Balance as at 1-Jan-21	Additions of the year	Balance as at 31-Dec-21	
Tangible assets				
General installations	(17,626)	(3,884)	(21,510)	45,979
Transportation equipment	(11,215)	(2,013)	(13,228)	20,316
Office & computer equipment & software	(59,259)	(4,574)	(63,833)	65,005
Furniture	(27,984)	(5,083)	(33,067)	30,473
Total tangible assets	(116,084)	(15,554)	(131,638)	161,773
Financial assets				
Deposits	-	-	-	-
Total financial assets	-	-	-	-
Total	(116,084)	(15,554)	(131,638)	161,773

7. Other receivables

This caption represents the balances due from third parties detailed as follows:

Description	31-Dec-21	
	In LBP	In USD
Cash United SAL	35,243,843	23,379
Total Liban SAL	19,881,000	13,188
Other receivables	-	361
Total		36,928

8. Donations to be received

This caption represents the donations not yet received for ended projects detailed as follows:

Description (in USD)	31-Dec-21
Plan International	39,915
SSI	19,303
World Vision	1,167
Total	60,385

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Notes to the financial statements for the year ended 31 December 2021

9. Cash & Banks

The balance of this caption represents the cash on hand and available at banks detailed as follows:

Description	31-Dec-21		31-Dec-20	
	In Cur	In USD	In Cur	In USD
BLF Bank SAL / USD (Fresh account)	-	972,179	-	997,538
BLF Bank SAL / USD (Non-Fresh account)	-	103,401	-	196,651
BLF Bank SAL / EUR (Non-Fresh account)	10,222	11,537	10,222	12,250
BLF Bank SAL / GBP (Fresh account)	8,063	10,820	88	117
BLF Bank SAL / CHF (Fresh account)	5,145	5,596	-	-
BLF Bank SAL / EUR (Fresh account)	1,158	1,307	220	264
BLF Bank SAL / LBP	(9,955,872)	(6,604)	(19,714,001)	(13,077)
Total BLF Bank SAL		1,098,236		1,193,743
Arab Bank Switzerland / USD (Fresh account)	-	550,045	-	-
Astro Bank Cyprus / USD (Fresh account)	-	1,881	-	-
Total Banks		1,650,162		1,193,743
Petty Cash / LBP	63,603,256	42,191	14,547,710	9,650
Petty Cash / USD	-	187	-	-
Total Cash on hand		42,378		9,650
Total		1,692,540		1,203,393

10. Tax payables

This caption represents the tax dues detailed as follows:

Description	31-Dec-21	
	In LBP	In USD
Tax on salaries	34,374,015	22,802
Non-resident tax	3,217,005	2,134
Total	37,591,020	24,936

11. Other payables

This caption represents the balances due to third parties detailed as follows:

Description	31-Dec-21	
	In LBP	In USD
Alfa	10,286,062	6,823
Other payables	-	60
Total		6,883

12. Unearned donations

This caption represents the donations received for ongoing projects for the year 2022 detailed as follows:

Description (in USD)	31-Dec-21
UNICEF	322,728
LHDF	68,544
UNHCR	26,791
RDPP	24,731
Suleiman Olayan Foundation	18,282
Other projects	5,281
Total	466,357

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Notes to the financial statements for the year ended 31 December 2021

13. Received donations

The donations received by the association are detailed by donor as follows:

Description (in USD)	31-Dec-21	31-Dec-20
UNICEF	1,590,547	1,767,675
UNHCR	804,828	1,221,982
BPRM	469,583	257,771
Plan International	436,299	153,338
RDPP	353,525	140,132
Other donations	427,580	855,333
Suleiman Olayan Foundation	112,968	-
World Vision	47,864	16,448
SSI	59,261	39,965
Concern	22,293	52,017
L.I.F.E	14,537	39,317
LHDF	11,960	-
Make Me Simle	5,860	-
Act For Lebanon	4,732	5,120
Al Madad Foundation	-	2,929
Save the children	-	5,664
Total	4,361,837	4,557,691

14. Administrative expenses

The administrative expenses are detailed as follows:

Description (in USD)	31-Dec-21
Repair and maintenance expenses	22,434
Consultancy expenses	18,750
Audit fees	18,720
Subscription expenses	6,753
Formality charges	4,562
Stationery, printings and office supplies	3,984
Advertising expenses	3,880
Other expenses	15,639
Total	94,722