

report of
Stichting Free Yezidi
Almere
concerning
financial statements 2017

Amsterdam
August 3, 2018

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AUDITOR'S REPORT

To the management of
Stichting Free Yezidi
P/O Box 17350
1001 JJ Amsterdam

<i>Reference</i>	<i>Processed by</i>	<i>Date</i>
18.106	PNO/JWE	August 3, 2018

Dear board of directors,

We hereby send you the report regarding the financial statements for the year 2017 of your company .

1 COMPILATION REPORT

In accordance with your instructions we have compiled the annual account 2017 of your company, including the balance sheet with counts of € 102,705 and the profit and loss account with a post-tax result of € 55,778.

2 ACCOUNTANT'S COMPILATION REPORT

To: the management

The financial statements of Stichting Free Yezidi at Almere have been compiled by us using the information provided by you . The financial statements comprise the balance sheet as at December 31, 2017, the profit and loss account and the cash flow statement for the year 2017 with the accompanying explanatory notes. These notes include a summary of the accounting policies which have been applied.

This compilation engagement has been performed by us in accordance with Dutch law, including the Dutch Standard 4410, "Compilation engagements", which is applicable to accountants. The standard requires us to assist you in the preparation and presentation of the financial statements in accordance with Guidelines of the Annual Reporting and art 2:10 of Book 2 of the Dutch Civil Code. To this end we have applied our professional expertise in accounting and financial reporting.

In a compilation engagement, you are responsible for ensuring that you provide us with all relevant information and that this information is correct. Therefore, we have conducted our work, in accordance with the applicable regulations, on the assumption that you have fulfilled your responsibility. To conclude our work, we have read the financial statements as a whole to consider whether the financial statements as presented correspond with our understanding of Stichting Free Yezidi. We have not performed any audit or review procedures which would enable us to express an opinion or a conclusion as to the fair presentation of the financial statements.

During this engagement we have complied with the relevant ethical requirements prescribed by the "Verordening Gedrags- en Beroepsregels Accountants" (VGBA). You and other users of these financial statements may therefore assume that we have conducted the engagement in a professional, competent and objective manner and with due care and integrity and that we will treat all information provided to us as confidential.

For further information on the nature and scope of a compilation engagement and the VGBA we refer you to www.nba.nl/uitleg-samenstellingsverklaring.

Amsterdam, August 3, 2018

NAHV Accountants B.V.



P.F. van Noort
Accountant-Administratieconsulent

3 GENERAL

3.1 Company

The activities of Stichting Free Yezidi mainly are assisting Yezidis in need. The foundation seeks to implement projects to protect and support the most vulnerable members of the Yezidi community.

3.2 Board

On December 31, 2017 the board of directors is formed by:

- P.S. Ibrahim
- T.P. Proeger

3.3 Appropriation of the nett result 2017

The profit for the year 2017 amounts to € 55,778 compared with a loss for the year 2016 of € 17,727.

The analysis of the result is disclosed on page 4.

The proposed appropriation of result is disclosed under other disclosure.

3.4 Recognition of the 2016 loss

The result amounting to € 17,727 has been carried forward as accumulated deficit.

4 RESULTS

4.1 Comparative overview

The result after taxation for 2017 amounts to € 56,000 compared to negative € 18,000 for 2016. The results for both years can be summarized as follows:

	Balance 2017	Budget 2017	Balance 2016	Difference 2017	VBDJ
	€	€	€	€	€
Income					
Donations	307,504	271,207	143,131	164,373	36,297
Expenses					
Expenditures in local projects	181,668	213,093	112,664	69,004	-31,425
Management and administration					
Employee expenses	38,887	10,800	33,684	5,203	28,087
Other operating expenses	24,491	7,001	13,294	11,197	17,490
Total of expenses	63,378	17,801	46,978	16,400	45,577
Result	62,458	40,313	-16,511	78,969	22,145
Financial income and expenses	-6,680	-400	-1,216	-5,464	-6,280
Balance	55,778	39,913	-17,727	73,505	15,865
Taxation on result from normal operations	-	-2,000	-	-	2,000
Balance	55,778	37,913	-17,727	73,505	17,865

4.2 Notes to the result

The income in 2017 is much higher than in 2016 and more activities have been employed. The higher result has to do with the unexpected high donations from Globalgiving Foundations.

5 FINANCIAL POSITION

The balance sheet can be summarized as follows:

	<u>12/31/2017</u>	<u>12/31/2016</u>
	€	€
Long term funds:		
Foundation capital	64,783	9,005
	<u> </u>	<u> </u>

This amount is applied as follows:

Receivables, prepayments and accrued income	-	449
Cash and cash equivalents	102,705	11,323
	<u>102,705</u>	<u>11,772</u>
Debit: Short-term debt	37,922	2,767
	<u> </u>	<u> </u>
Working capital	64,783	9,005
	<u> </u>	<u> </u>

We will gladly provide further explanations upon request.

Sincerely yours,
NAHV Accountants B.V.



P.F. van Noort
Accountant-Administratieconsulent

FINANCIAL REPORT

FINANCIAL STATEMENTS

Balance sheet as at December 31, 2017

Profit & loss account from 2017

Cash flow statement for the year ended 2017

Notes to the Statements

Notes to the balance sheet as of December 31, 2017

Notes to the profit & loss account from 2017

1 BALANCE SHEET AS AT DECEMBER 31, 2017

After processing of the result

		December 31, 2017		December 31, 2016	
		€	€	€	€
ASSETS					
Current assets					
Receivables, prepayments and accrued income	(1)	-		449	
Cash and cash equivalents	(2)	102,705		11,323	
			102,705		11,772
			<u>102,705</u>		<u>11,772</u>
LIABILITIES					
Foundation capital	(3)		64,783		9,005
Current liabilities	(4)		37,922		2,767
			<u>102,705</u>		<u>11,772</u>

Signing of the financial statements

Adoption of the financial statements

The financial statements are created and adopted by the management respectively the General Meeting.

Almere, August 3, 2018

P.S. Ibrahim

T.P. Proeger

2 PROFIT AND LOSS ACCOUNT 2017

	Balance 2017	Balance 2016
	€	€
Income		
Donations	(5) 307,504	143,131
Lasten		
Expenditures in local projects	181,668	112,664
Management and administration		
Employee expenses	(6) 38,887	33,684
Other operating expenses	(7) 24,491	13,294
Changes in value of financial assets and of securities	(8) 5,872	485
Interest and similar expenses	(9) 808	731
	<u>70,058</u>	<u>48,194</u>
	<u>251,726</u>	<u>160,858</u>
Result	<u><u>55,778</u></u>	<u><u>-17,727</u></u>

3 CASH FLOW STATEMENT 2017

The cash flow statement has been prepared using the indirect method.

	2017		2016	
	€	€	€	€
Cash flow from operating activities				
Operating result	62,458		-16,511	
Adjustments for:				
Movement of working capital:				
Movement of accounts receivable	449		1,407	
Movement of short-term liabilities (excluding short-term part of long-term debts)	35,155		421	
Cash flow from operating activities		98,062		-14,683
Interest paid	-808		-731	
Changes in value of financial assets and of securities	-5,872		-485	
		-6,680		-1,216
Cash flow from operating activities		91,382		-15,899
Cash flow from financing activities				
Movement of share capital		-17,727		19,903
		73,655		4,004
Compilation cash				
	2017		2016	
	€	€	€	€
Compilation cash at January 1		11,323		27,222
Movement of cash and cash equivalents		91,382		-15,899
Cash and cash equivalents at December 31		102,705		11,323

4 NOTES TO THE FINANCIAL STATEMENTS

GENERAL

This annual account is composed to the principle of historical cost, according to stipulations of the Guidelines of the Annual reporting and art 2:10 of the Dutch Civil Code.

Activities

The activities of Stichting Free Yezidi (CoC file 61279838), with registered offices in Almere mainly are assisting Yezidis in need. The foundation seeks to implement projects to protect and support the most vulnerable members of the Yezidi community.

Registered address

The registered and actual address of Stichting Free Yezidi (CoC file 61279838) is Almere.

Estimates

The preparation of financial statements in conformity with the relevant rules requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. If necessary for the purposes of providing the view required under Section 362(1), Book 2, of the Dutch Civil Code, the nature of these estimates and judgments, including the related assumptions, is disclosed in the notes to the financial statement items in question.

PRINCIPLES OF VALUATION OF ASSETS AND LIABILITIES

Receivables and deferred assets

Upon initial recognition the receivables on and loans to participations and other receivables are valued at fair value and then valued at amortised cost, which equals the face value, after deduction of any provisions. The fair value and amortised cost equal the face value. Any provisions for the risk of doubtful debts are deducted. These provisions are determined based on individual assessment of the receivables.

Cash and cash equivalents

The cash is valued at face value. If cash equivalents are not freely disposable, then this has been taken into account in the valuation.

PRINCIPLES FOR THE DETERMINATION OF THE RESULT

General

The result is defined as the difference between the revenue from goods delivered and services performed on one hand and, on the other hand, the costs and expenses for that year, valued at historical costs.

Determination of the result

The result is determined based upon the difference between the nett turnover and the costs and other expenses taking into account the aforementioned valuation principles.

Donations

The nett turnover consists of revenue from donations during the reporting period.

Gross margin

The gross operating profit and loss comprises nett turnover, work performed by the entity and capitalised, other operating income, cost of outsourced work and other external charges.

Financial income and expenses

Financial income and expenses comprise interest income and expenses for loans (issued and received) during the current reporting period.

PRINCIPLES FOR PREPARATION OF THE CASH FLOW STATEMENT

The cash flow statement has been prepared using the indirect method.

The funds in the cash flow statement consist of cash, short-term debt to finance companies and current securities.

Securities are considered to be highly liquid investments.

Cash flows in foreign currencies are converted at an estimated average rate.

Exchange rate differences concerning finances are shown separately in the cash flow statement.

Income and expenses related to interest, received dividend and profit taxes are included in the cash flow statement for operational activities. Dividend payments are included in the cash flow statement for financing activities.

Transactions which do not involve the exchange of cash resources, including financial leasing, are not included in the cash flow statement. The repayment part of lease term based on the financial lease contract is considered to be a financial activity expense, while the interest is considered to be an operational activity expense.

5 NOTES TO THE BALANCE SHEET AS OF DECEMBER 31, 2017

ASSETS

CURRENT ASSETS

1. Receivables, prepayments and accrued income

	<u>12/31/2017</u>	<u>12/31/2016</u>
	€	€
Prepayments and accrued income		
Rent deposit	-	449
	<u> </u>	<u> </u>

2. Cash and cash equivalents

ING Bank EURO 6642318	24,164	6,135
ING-bank USD 20112173	38,497	253
KRI	32,281	3,687
Paypal € part of the account	3,726	676
Paypal \$ part of the account	3,798	572
Cash	239	-
	<u>102,705</u>	<u>11,323</u>

EQUITY AND LIABILITIES

	<u>12/31/2017</u>	<u>12/31/2016</u>
	€	€
3. Foundation capital		
Other Reserves as per 1/1	9,005	26,732
Result	55,778	-17,727
	<u>64,783</u>	<u>9,005</u>
4. Current liabilities		
Advanced payments for work in progress		
WFW grant January and February 2018	13,429	-
UNTF grant January and February 2018	14,628	-
	<u>28,057</u>	<u>-</u>
Trade creditors		
Creditors	<u>209</u>	<u>-</u>
Taxes		
Wage tax	<u>6,625</u>	<u>366</u>
Other liabilities		
Current account P.S. Ibrahim	458	458
Business card account	759	129
	<u>1,217</u>	<u>587</u>
Accruals and deferred income		
Audit costs	<u>1,814</u>	<u>1,814</u>

Financial rights and obligations not viewed in the annual report

Grant agreements and taxes

According to the grant agreement of Women for Women, Free Yezidi is entitled to a grant amount of €100.716 (\$120.835). €30.215 is already received in 2017: €10.072 over December 2017 and €20.143 over December 2017, January 2018 and February 2018. This agreement started on the 1st of December 2017 and will end on the 30th of November 2018.

According to the grant agreement of Un Women, Free Yezidi is entitled to a grant amount of maximum \$235.850 (€195.998), divided into 3 installments: the first installment of March 1, 2017 \$105.300 (\$123.550 less \$18.250 UNTF cd and Audit budgets) covers the first year, the second installment of \$101.070 covers the second year and the final installment of \$11.230 is received upon reporting. On the 27th of February 2017 €87.768 (\$105.300) is already received for 2017. So €14.628 was received over January and February 2018. This agreement started on the 1st of march 2017 and will end on the 28th of February 2019.

Free Yezidi is not assessable for VAT and corporate tax.

6 NOTES TO THE PROFIT AND LOSS ACCOUNT 2017

	Balance 2017	Balance 2016
	€	€
5. Donations		
Donations others	28,976	-
Donations Globalgiving Foundation	56,524	5,781
Donations Paypal	-	16,098
Donations cheques	3,391	2,923
Donations - WFW	141,931	96,252
Donations - United Nations	76,682	15,298
Donations others	-	6,779
	<u>307,504</u>	<u>143,131</u>
Expenditures in local projects		
Project Prefab	11,062	40,706
General travel expenses	32,444	16,958
Expenses Kurdistan co-workers	138,162	55,000
	<u>181,668</u>	<u>112,664</u>
6. Employee expenses		
Wages and salaries	27,000	23,980
Social security charges	3,569	-
Other personnel costs	8,318	9,704
	<u>38,887</u>	<u>33,684</u>
<i>Other personnel costs</i>		
Milage	-	8,176
Taxfree allowance	1,880	1,520
Canteen costs	5,621	8
legal counsel	817	-
	<u>8,318</u>	<u>9,704</u>

Staff

At partnership during 2017, on average 2 employees were employed, converted to full-time equivalents (2016: 2).

	Balance 2017	Balance 2016
	€	€
7. Other operating expenses		
Accommodation expenses	1,720	-
Operating costs	-	47
Office expenses	9,875	3,529
General expenses	12,896	9,718
	<u>24,491</u>	<u>13,294</u>
<i>Accommodation expenses</i>		
Rent buildings	449	-
Maintenance buildings	1,271	-
	<u>1,720</u>	<u>-</u>
<i>Operating costs</i>		
Minor assets	-	47
	<u>-</u>	<u>47</u>
<i>Office expenses</i>		
Office supplies	8,670	2,840
Automation costs	969	462
Postage	236	227
	<u>9,875</u>	<u>3,529</u>
<i>General expenses</i>		
Audit costs	2,487	5,765
Accounting costs	4,168	-
Fiscal fine	3,164	208
Other general expenses	3,077	3,745
	<u>12,896</u>	<u>9,718</u>
Financial income and expenses		
8. Changes in value of financial assets and of securities		
Exchange results securities	-6,118	-485
Other value changes	246	-
	<u>-5,872</u>	<u>-485</u>
<u>Other value changes</u>		
Other readjustments	246	-
	<u>246</u>	<u>-</u>
9. Interest and similar expenses		
Bank expenses	-808	-731
	<u>-808</u>	<u>-731</u>