

**report of**  
Stichting Free Yezidi  
Almere  
concerning  
financial statements 2019

Amsterdam  
June 24, 2020

**CONTENTS**

	<b>Page</b>	
<b>ACCOUNTANT REPORT</b>		
1	Compilation Report	2
2	Accountant's compilation report	2
3	General	4
4	Results	5
5	Financial position	6
<b>1</b>	<b>2019 MANAGEMENT REPORT</b>	<b>8</b>
<b>FINANCIAL STATEMENTS</b>		
1	Balance sheet as at December 31, 2019	10
2	Profit and loss account over 2019	11
3	Cash flow statement 2019	12
4	Notes to the financial statements	13
5	Notes to the balance sheet as of December 31, 2019	16
6	Notes to the profit and loss account 2019	21

## **ACCOUNTANT 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>
20.115	PNO/JWE	June 24, 2020

Dear board of directors,

We hereby send you the report regarding the financial statements for the year 2019 of the foundation .

## **1 COMPILATION REPORT**

In accordance with your instructions we have compiled the annual account 2019 of the foundation, including the balance sheet with counts of € 912,399 and the profit and loss account with a result of € 82,733.

## **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, 2019, the profit and loss account and the cash flow statement for the year 2019 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 Part 9, book 2 of the Dutch Civil Code and the Guidelines of RJK C1 small organizations. 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](http://www.nba.nl/uitleg-samenstellingsverklaring).

Amsterdam, June 24, 2020

NAHV Accountants B.V.

Was signed  
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, 2019 the board of directors is formed by:

- P.S. Ibrahim
- E. Halbertsma
- K.S. Kader
- F. Haddad-Sylvester

#### **3.3 American foundation**

In 2019 an American foundation has been established. Mutual projects are funded.

#### **3.4 ANBI**

Stichting Free Yezidi is an ANBI organization starting January 1, 2018.

#### **3.5 Appropriation of the positive margin 2019**

The positive margin for the year 2019 amounts to € 82,733 compared with a deficit for the year 2018 of € 12,000.

The analysis of the margin is disclosed on page 5.

The proposed appropriation of the margin is disclosed under other disclosure.

#### **3.6 Recognition of the 2018 deficit**

The deficit amounting to € 12,000 has been carried forward as accumulated deficit.

## 4 RESULTS

### 4.1 Comparative overview

The margin for 2019 amounts to € 83,000 compared to negative € 12,000 for 2018. The margin for both years can be summarized as follows:

	Balance 2019	Budget 2019	Balance 2018	Difference 2019
	€	€	€	€
<b>Income</b>				
Donations	621,751	363,765	218,924	402,827
<b>Expenses</b>				
<b>Expenditures for overseas projects</b>	393,008	219,209	168,058	224,950
<b>Management and project implementation</b>				
Personnel expenses	110,781	108,438	25,146	85,635
Other operating expenses	34,968	36,118	38,275	-3,307
Total of expenses	<u>145,749</u>	<u>144,556</u>	<u>63,421</u>	<u>82,328</u>
<b>Result</b>	<u>82,994</u>	-	-12,555	95,549
Financial income and expenses	-261	-	555	-816
<b>Margin</b>	<u><u>82,733</u></u>	<u><u>-</u></u>	<u><u>-12,000</u></u>	<u><u>94,733</u></u>

## 5 FINANCIAL POSITION

The balance sheet can be summarized as follows:

	<u>12/31/2019</u>	<u>12/31/2018</u>
	€	€
<b>Long term funds:</b>		
Reserves and funds	135,516	52,783

This amount is applied as follows:

Receivables, prepayments and accrued income	9,135	10,585
Cash and cash equivalents	903,264	187,213
	<u>912,399</u>	<u>197,798</u>
Debit: Short-term debt	776,883	145,015
Working capital	<u>135,516</u>	<u>52,783</u>

We will gladly provide further explanations upon request.

Sincerely yours,  
NAHV Accountants B.V.

Was signed  
P.F. van Noort  
Accountant-Administratieconsulent



## **FINANCIAL REPORT**

**2019 MANAGEMENT REPORT**

The report is available for inspection at the partnership's premises.

## **FINANCIAL STATEMENTS**

**Balance sheet as at December 31, 2019**

**Profit & loss account from 2019**

**Cash flow statement for the year ended 2019**

**Notes to the Statements**

**Notes to the balance sheet as of December 31, 2019**

**Notes to the profit & loss account from 2019**

**1 BALANCE SHEET AS AT DECEMBER 31, 2019**

After processing of the margin

		December 31, 2019		December 31, 2018	
		€	€	€	€
<b>ASSETS</b>					
<b>Current assets</b>					
Receivables, prepayments and accrued income	(1)	9,135		10,585	
Cash and cash equivalents	(2)	903,264		187,213	
			912,399		197,798
			<u>912,399</u>		<u>197,798</u>
<b>LIABILITIES</b>					
<b>Foundation capital</b>	(3)		135,516		52,783
<b>Current liabilities</b>	(4)		776,883		145,015
			<u>912,399</u>		<u>197,798</u>

## 2 PROFIT AND LOSS ACCOUNT OVER 2019

		Balance 2019	Budget 2019	Balance 2018
		€	€	€
<b>Income</b>				
Donations	(5)	621,751	363,765	218,924
<b>Expenses</b>				
<b>Expenditures for overseas projects</b>	(6)	393,008	219,209	168,058
<b>Management and project implementation</b>				
Personnel expenses	(7)	110,781	108,438	25,146
Other operating expenses	(8)	34,968	36,118	38,275
		<u>145,749</u>	<u>144,556</u>	<u>63,421</u>
<b>Balance before financial income and expense</b>		82,994	-	-12,555
Interest and similar income	(9)	-	-	1
Changes in value of financial assets and of securities	(10)	5,144	-	1,289
Bank fees	(11)	-5,405	-	-735
		<u>-261</u>	<u>-</u>	<u>555</u>
<b>Margin</b>		<u><u>82,733</u></u>	<u><u>-</u></u>	<u><u>-12,000</u></u>
<b>Appropriation of the margin</b>				
Continuity reserve		79,476	-	-
Other reserves		3,257	-	-12,000
		<u><u>82,733</u></u>	<u><u>-</u></u>	<u><u>-12,000</u></u>

### 3 CASH FLOW STATEMENT 2019

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

	2019		2018	
	€	€	€	€
<b>Cash flow from operating activities</b>				
Operating result	82,994		-12,555	
Adjustments for:				
Movement of working capital:				
Movement of accounts receivable	1,450		-10,585	
Movement of short-term liabilities (excluding short-term part of long-term debts)	631,868		107,093	
Cash flow from operating activities		716,312		83,953
Interest received	-		1	
Bank fees	-5,405		-735	
Changes in value of financial assets and of securities	5,144		1,289	
		-261		555
Cash flow from operating activities		716,051		84,508
		716,051		84,508
<b>Compilation cash</b>				
	2019		2018	
	€	€	€	€
Compilation cash at January 1		187,213		102,705
Movement of cash and cash equivalents		716,051		84,508
Cash and cash equivalents at December 31		903,264		187,213

## **4 NOTES TO THE FINANCIAL STATEMENTS**

### **GENERAL**

This annual account is composed in accordance with Part 9, book 2 of the Dutch Civil Code and the Guidelines of RJK C1 small organizations.

### **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.

### **Translation of foreign currency**

Receivables, liabilities and obligations denominated in foreign currency are translated at the exchange rates prevailing at balance sheet date. The exchange differences resulting from the conversion as of balance sheet date, taking into account possible hedge transactions, are recorded in the profit and loss account.

Transactions in foreign currency during the financial year are recognised in the annual account at the exchange rates prevailing at transaction date. The exchange differences resulting from the conversion as of balance sheet date, taking into account possible hedge transactions, are recorded in the profit and loss account.

## **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.

### **Current liabilities**

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price. When there are no premiums, discounts or transaction costs, the amortised cost is equal to the nominal value.



## **ACCOUNTING PRINCIPLES FOR THE DETERMINATION OF THE RESULT**

### **General**

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

### **Determination of the margin**

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

### **Donations**

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

### **Expenses general**

The costs are valued at historical cost and are allocated to the financial year to which they relate.

### **Financial income and expenses**

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

**5 NOTES TO THE BALANCE SHEET AS OF DECEMBER 31, 2019**

**ASSETS**

**CURRENT ASSETS**

	<u>12/31/2019</u>	<u>12/31/2018</u>
	€	€
<b>1. Receivables, prepayments and accrued income</b>		
Trade receivables	-	10,585
Other receivables	9,135	-
	<u>9,135</u>	<u>10,585</u>
<b>Trade receivables</b>		
To be invoiced Women for Women 2017 - 2018	-	10,585
	<u>-</u>	<u>10,585</u>
<b>Other receivables</b>		
Advances FYF USA	9,135	-
	<u>9,135</u>	<u>-</u>
<b>2. Cash and cash equivalents</b>		
ING Bank N.V.	793,989	141,342
KIB	90,372	38,580
Paypal	18,377	6,876
Cash	526	415
	<u>903,264</u>	<u>187,213</u>

## EQUITY AND LIABILITIES

	<u>12/31/2019</u>	<u>12/31/2018</u>
	€	€
<b>3. Reserves and funds</b>		
Continuity reserve	79,476	-
Other reserves	56,040	52,783
	<u>135,516</u>	<u>52,783</u>
	<u>2019</u>	<u>2018</u>
	€	€

### Continuity reserve

Carrying amount as of January 1	-	-
Appropriation of the margin	79,476	-
Carrying amount as of December 31	<u>79,476</u>	<u>-</u>

A continuity reserve may be created to cover risks and to ensure the fundraising organization can also meet its obligations in the future. However there is a maximum for the continuity reserve asked by the Financial Management Guidelines Charities. They require that the reserve is no more than 1,5 times the yearly costs of the organization (personnel costs, accommodation costs, office costs and general costs, communication costs and depreciation costs) are taken fully into account. With the current size of the continuity reserve the foundation remains within this standard. The foundation aims for an amount of 3 months for costs of management and administration.

### Other reserves

Carrying amount as of January 1	52,783	64,783
Allocation of financial year net result	3,257	-12,000
Carrying amount as of December 31	<u>56,040</u>	<u>52,783</u>

	<u>12/31/2019</u>	<u>12/31/2018</u>
	€	€
<b>4. Current liabilities</b>		
Advanced payments for work on projects	773,157	139,351
Trade creditors	-	1
Taxes	903	297
Other liabilities	-	2,543
Accruals and deferred income	2,823	2,823
	<u>776,883</u>	<u>145,015</u>

	<u>12/31/2019</u>	<u>12/31/2018</u>
	€	€
<b>Advanced payments for work on projects</b>		
Ministry of Foreign Affairs	729,743	-
Oak grant	43,414	107,989
UNTF grant January and February 2018	-	31,362
	<u>773,157</u>	<u>139,351</u>
<b>Trade creditors</b>		
Creditors	-	<u>1</u>
<b>Taxes</b>		
Wage tax	<u>903</u>	<u>297</u>
<b>Other liabilities</b>		
Current account P.S. Ibrahim	-	458
Business card account	-	2,085
	<u>-</u>	<u>2,543</u>
<b>Accruals and deferred income</b>		
Accounting costs	<u>2,823</u>	<u>2,823</u>

## Financial rights and obligations not viewed in the annual report

### Grant agreements and taxes

#### *Women For Women January 2019 - June 2019*

Under the new Women for Women grant agreement, from January 2019 until June 2019, the Free Yezidi Foundation is entitled to a grant amount of € 44.000 (\$ 50.000). This grant was fully received and utilized in 2019.

Women For Women December 2017 - November 2018  
The final installment of € 10.585 was received in 2019.

#### *UNTF from March 2017 - February 2019*

Under the UN Women grant agreement, the Free Yezidi is entitled to a grant of \$ 217.600 (€ 180.743), divided into 2 installments: the first installment of \$ 105.300 (€87.768) received in March 2017 \$ 105.300 (€ 87.768), the second installment of \$ 101.070 (€ 83.686) received in May 2018 covers the second year, the second installment of \$ 101.070 covers the second year. The remainder of these installments, and amount of € 56,174, was fully utilized in 2019. The final installment of \$ 10.220 (€ 9.290) was received in 2019.

#### *Oak decision Core support project June 2018 - May 2021*

According to the Oak Foundation grant decision, The Free Yezidi Foundations is entitled to a grant of \$ 450.000 for core support divided over three periods. In November 2018, the first installment of \$ 150.000 (€ 132.000) was received. The second installment of \$ 150.000 (€ 135.600) was received in September 2019.

Grant period 1 & 2	Spent to date	Still to be spent
€ 267.600	€ 224.186	€ 43.414

#### *The Roddick Foundation January 2019 - December 2019*

According to the grant confirmation from the Roddick Foundation, Free Yezidi Foundation is entitled to a grant amount of £ 20.000 ( € 22.748). This grant was received in January 2019 and is for a period of one year. This grant was fully utilized in 2019.

#### *Dutch Ministry of Foreign Affairs December 2019 - November 2020*

According to the grant decision of the Dutch Ministry of Foreign Affairs, Free Yezidi Foundation is entitled to a grant amount of € 773.879 for the activities described in the grant application. The implementation of the activiteites for which the grant is intended starts from December 2019 and must be completed by November 2020. A project audit must take place at the end of the grant period.

Grant	Spent to date	Still to be spent
€ 773.879	€ 52.648	€ 721.231

*Tax exemption*

The Free Yezidi Foundation is not a taxable person for VAT and for corporate income tax.

**6 NOTES TO THE PROFIT AND LOSS ACCOUNT 2019**

	Balance 2019	Balance 2018
	€	€
<b>5. Donations</b>		
Individual donations	35,113	17,464
Institutional donations	528,480	201,460
Other donations	58,158	-
	<u>621,751</u>	<u>218,924</u>
<b>6. Expenditures for overseas projects</b>		
National staff	144,431	139,090
Activity center and office rental	5,429	13,972
Travel	16,785	10,834
Office expenses	8,099	-
Share of costs with the USA foundation for common programs	185,745	-
Other expenses	2,892	4,162
Accrued costs 2017 2018 UNTF and WFW	29,627	-
	<u>393,008</u>	<u>168,058</u>
<b>7. Personnel expenses</b>		
Personnel costs	39,299	14,402
Other personnel costs	71,482	10,744
	<u>110,781</u>	<u>25,146</u>
<i>Personnel costs</i>		
Gross wages	30,945	12,041
Movement of holiday bonus liability	2,286	-
Social security charges	6,068	2,361
	<u>39,299</u>	<u>14,402</u>
<i>Other personnel costs</i>		
Tax Free allowance	9,061	4,398
Canteen costs	249	4,508
Consultancy costs	62,172	1,838
	<u>71,482</u>	<u>10,744</u>

**Staff**

At partnership during 2019, on average 2 employees were employed (2018:1).

	Balance 2019	Balance 2018
	€	€
<b>8. Other operating expenses</b>		
Travel and Accommodation	20,702	15,216
Office expenses	2,380	8,441
General expenses	11,886	14,618
	<u>34,968</u>	<u>38,275</u>
<i>Office expenses</i>		
Office Supplies	882	7,032
Automation	1,244	1,155
Postage	254	254
	<u>2,380</u>	<u>8,441</u>
<i>General expenses</i>		
Audit costs	6,755	6,121
Administrative	1,640	6,661
Legal aid	540	1,059
Insurance	2,842	56
Other general expenses	109	63
Tax and levy	-	658
	<u>11,886</u>	<u>14,618</u>
<b>Financial income and expenses</b>		
<b>9. Interest and similar income</b>		
Interest savings accountants	-	1
	<u>-</u>	<u>1</u>
<b>10. Changes in value of financial assets and of securities</b>		
Currency differences	5,144	1,289
	<u>5,144</u>	<u>1,289</u>
<b>11. Bank fees</b>		
Bank fees	-5,405	-735
	<u>-5,405</u>	<u>-735</u>