

**report of**  
Stichting Free Yezidi  
Almere  
concerning  
financial statements 2018

Amsterdam  
June 21, 2019

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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>
19.084	PNO/JWE	June 21, 2019

Dear board of directors,

We hereby send you the report regarding the financial statements for the year 2018 of the foundation .

## **1 COMPILATION REPORT**

In accordance with your instructions we have compiled the annual account 2018 of the foundation, including the balance sheet with counts of € 197,798 and the profit and loss account with a negative result of € 12,000.

## **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, 2018, the profit and loss account and the cash flow statement for the year 2018 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](http://www.nba.nl/uitleg-samenstellingsverklaring).

Amsterdam, June 21, 2019

NAHV Accountants B.V.

A handwritten signature in black ink, appearing to be 'P.F. van Nooft', written over a faint, illegible stamp or background.

P.F. van Nooft  
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, 2018 the board of directors is formed by:

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

#### **3.3 ANBI**

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

#### **3.4 Appropriation of the nett result 2018**

The loss for the year 2018 amounts to € 12,000 compared with a profit for the year 2017 of € 55,778.

The analysis of the result is disclosed on page 5.

The proposed appropriation of result is disclosed under other disclosure.

## 4 RESULTS

### 4.1 Comparative overview

The result for 2018 amounts to negative € 12,000 compared to € 56,000 for 2017. The results for both years can be summarized as follows:

	Balance 2018	Budget 2018	Balance 2017	Difference 2018
	€	€	€	€
<b>Income</b>				
Donations	218,924	252,192	307,504	-88,580
<b>Expenses</b>				
<b>Expenditures in local projects</b>	154,450	211,902	181,668	-27,218
<b>Management and administration</b>				
Employee expenses	26,205	17,340	38,887	-12,682
Other operating expenses	50,824	22,950	24,491	26,333
Total of expenses	77,029	40,290	63,378	13,651
<b>Result</b>	-12,555	-	62,458	-75,013
Financial income and expenses	555	-	-6,680	7,235
<b>Balance</b>	-12,000	-	55,778	-67,778

### 4.2 Less activity in 2018

Due to late installment of funding, less activity was undertaken than budgetted.

## 5 FINANCIAL POSITION

The balance sheet can be summarized as follows:

	<u>12/31/2018</u>	<u>12/31/2017</u>
	€	€
<b>Long term funds:</b>		
Foundation capital	52,783	64,783

This amount is applied as follows:

Receivables, prepayments and accrued income	10,585	-
Cash and cash equivalents	<u>187,213</u>	<u>102,705</u>
	197,798	102,705
Debit: Short-term debt	145,015	37,922
Working capital	<u>52,783</u>	<u>64,783</u>

We will gladly provide further explanations upon request.

Sincerely yours,  
NAHV Accountants B.V.



P.F. van Noort  
Accountant-Administratieconsulent



## **FINANCIAL REPORT**

**2018 MANAGEMENT REPORT**

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

## **FINANCIAL STATEMENTS**

**Balance sheet as at December 31, 2018**

**Profit & loss account from 2018**

**Cash flow statement for the year ended 2018**

**Notes to the Statements**

**Notes to the balance sheet as of December 31, 2018**

**Notes to the profit & loss account from 2018**

**1 BALANCE SHEET AS AT DECEMBER 31, 2018**

After processing of the result

		December 31, 2018		December 31, 2017	
		€	€	€	€
<b>ASSETS</b>					
<b>Current assets</b>					
Receivables, prepayments and accrued income	(1)	10,585		-	
Cash and cash equivalents	(2)	187,213		102,705	
			197,798		102,705
			<u>197,798</u>		<u>102,705</u>
<b>LIABILITIES</b>					
Foundation capital	(3)		52,783		64,783
Current liabilities	(4)		145,015		37,922
			<u>197,798</u>		<u>102,705</u>

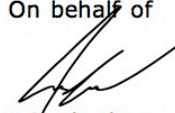
**Signing of the financial statements**


*Adoption of the financial statements*


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

Amsterdam, June 21, 2019

Stichting Free Yezidi  
On behalf of

  
P.S. Ibrahim

  
E. Halbertsma

  
T.P. Proeger

## 2 PROFIT AND LOSS ACCOUNT OVER 2018

		Balance 2018	Budget 2018	Balance 2017
		€	€	€
<b>Income</b>				
Donations	(5)	218,924	252,192	307,504
<b>Expenses</b>				
<b>Expenditures in local projects</b>				
<b>Management and administration</b>				
Employee expenses	(6)	26,205	17,340	38,887
Other operating expenses	(7)	50,824	22,950	24,491
		77,029	40,290	63,378
<b>Balance before financial income and expense</b>				
Interest and similar income	(8)	-12,555	-	62,458
Changes in value of financial assets and of securities	(9)	1	-	-
Interest and similar expenses	(10)	1,289	-	-5,872
		-735	-	-808
		555	-	-6,680
<b>Result</b>				
		-12,000	-	55,778

### 3 CASH FLOW STATEMENT 2018

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

	2018		2017	
	€	€	€	€
<b>Cash flow from operating activities</b>				
Operating result	-12,555		62,458	
Adjustments for:				
Movement of working capital:				
Movement of accounts receivable	-10,585		449	
Movement of short-term liabilities (excluding short-term part of long-term debts)	107,093		35,155	
Cash flow from operating activities		83,953		98,062
Interest received	1		-	
Interest paid	-735		-808	
Changes in value of financial assets and of securities	1,289		-5,872	
		555		-6,680
Cash flow from operating activities		84,508		91,382
<b>Cash flow from financing activities</b>				
Movement of share capital		-		-26,732
		84,508		64,650
<b>Compilation cash</b>				
	2018		2017	
	€	€	€	€
Compilation cash at January 1		102,705		11,323
Movement of cash and cash equivalents		84,508		91,382
Cash and cash equivalents at December 31		187,213		102,705

## **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.

### **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.

Receivables, liabilities and obligations denominated in foreign currency are translated at the exchange rates prevailing at balance sheet date. 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.

Foreign group companies and non-consolidated participating interests outside the Netherlands qualify as carrying on of business operations in a foreign country, with a functional currency different from that of the company. For the conversion of the annual account of these foreign entities the balance sheet items are translated at the exchange rate at balance sheet date and the profit and loss account items at the exchange rate rate at transaction date. The conversion differences that arise are directly deducted from or added to group equity.

## **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 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 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, 2018**

**ASSETS**

**CURRENT ASSETS**

**1. Receivables, prepayments and accrued income**

	<u>12/31/2018</u>	<u>12/31/2017</u>
	€	€
<b>Trade receivables</b>		
To be invoiced Women for Women 2017 - 2018	10,585	-
	<u>10,585</u>	<u>-</u>

**2. Cash and cash equivalents**

ING Bank EURO 6642318	16,008	24,164
ING Bank USD 20112173	125,333	38,497
ING Bank Savings 6642318	1	-
KRI	38,580	32,281
Paypal € part of the account	1,920	3,726
Paypal \$ part of the account	4,956	3,798
Cash	415	239
	<u>187,213</u>	<u>102,705</u>

## EQUITY AND LIABILITIES

	<u>12/31/2018</u>	<u>12/31/2017</u>
	€	€
<b>3. Foundation capital</b>		
Result	52,783	64,783
	<u>2018</u>	<u>2017</u>
	€	€
<b>Result</b>		
Carrying amount as of January 1	64,783	9,005
Allocation of financial year nett result	-12,000	55,778
Carrying amount as of December 31	<u>52,783</u>	<u>64,783</u>
<b>4. Current liabilities</b>		
	<u>12/31/2018</u>	<u>12/31/2017</u>
	€	€
<b>Advanced payments for work in progress</b>		
Oak grant 2018 - 2019	107,989	-
WFW grant January and February 2018	-	13,429
UNTF grant January and February 2018, 2019	31,362	14,628
	<u>139,351</u>	<u>28,057</u>
<b>Trade creditors</b>		
Creditors	<u>1</u>	<u>209</u>
<b>Taxes</b>		
Wage tax	<u>297</u>	<u>6,625</u>
<b>Other liabilities</b>		
Current account P.S. Ibrahim	458	458
Business card account	2,085	759
	<u>2,543</u>	<u>1,217</u>

	<u>12/31/2018</u>	<u>12/31/2017</u>
	€	€
<b>Accruals and deferred income</b>		
Accounting costs	<u>2,823</u>	<u>1,814</u>

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

### Grant agreements and taxes

#### *Women For Women 1 December 2017 - 30 November 2018*

According to the grant agreement of Women for Women, Free Yezidi is entitled to a grant amount of € 101,235 (\$ 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. In 2018 € 60,435 is received. The final installment of € 10,585 is expected to be received in 2019.

#### *UNTF Grant 1 March 2017 - 28 February 2019*

According to the grant agreement of Un Women, Free Yezidi is entitled to a grant amount of maximum \$ 217,600 (€ 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 received for 2017. € 14,628 of that second installment was received over January and February 2018. On the 22th of May of 2018 \$ 101,070 (€ 83,686) was received. Ending 2018 from this amount € 31,362 still can be spend in 2019. The final installment of \$ 11,230 is expected to be received in 2019.

Grant until 2018	Spent	Still to be spent
€ 184,768	€ 153,406	€ 31,362

*Free Yezidi is not assessable for VAT and corporate tax.*

#### *Oak Grant agreement Core support project June 2018 - May 2021*

According to the Grant agreement of Oak Foundation, Free Yezidi is entitled to a grant amount of \$ 450,000 for the project "Core support" Grant funds may be expended during the period June 2018 - May 2021. At 2 November 2018 the first installment of \$ 150,000 for the period June 2018 till May 2019 has been received. In 2018 according to the ledger € 24,011.35 has been spend, so € 107,989 is advanced.

Grant until 2018	Spent	Still to be spent
€ 132,000	€ 24,011	€ 107,989

#### *Rental agreement*

There is a rental agreement in the USA for the period of 1 October 2018 to 30 September 2019. The rent can be no more than \$ 1,750 a month.

#### *New employee starting January 1, 2019*

Starting January 1, 2019, one extra employee is on the wage list.

**6 NOTES TO THE PROFIT AND LOSS ACCOUNT 2018**

	Balance 2018	Balance 2017
	€	€
<b>5. Donations</b>		
Donations - WFW 2017	-	125,145
Donations others	17,464	28,976
Donations Globalgiving Foundation	26,048	56,524
Donations cheques	-	3,391
Donations - WFW 2018	84,449	16,786
Donations - United Nations 2017 - 2019	66,952	73,140
Donations - Oak	24,011	-
Donations United Nations	-	3,542
	<u>218,924</u>	<u>307,504</u>
<b>Expenditures in local projects</b>		
Project Prefab	4,526	11,062
General travel expenses	10,834	32,444
Expenses Kurdistan co-workers	139,090	138,162
	<u>154,450</u>	<u>181,668</u>
<b>6. Employee expenses</b>		
Wages and salaries	15,479	27,000
Social security charges	2,361	3,569
Other personnel costs	8,365	8,318
	<u>26,205</u>	<u>38,887</u>
<i>Other personnel costs</i>		
Taxfree allowance	2,798	1,880
Canteen costs	4,508	5,621
Legal counsel	1,059	817
	<u>8,365</u>	<u>8,318</u>

**Staff**

At partnership during 2018, 1 employee was employed (2017:2).

	Balance 2018	Balance 2017
	€	€
<b>7. Other operating expenses</b>		
Accommodation expenses	14,025	1,720
Office expenses	8,441	9,875
Selling and distribution expenses	10,637	-
General expenses	17,721	12,896
	<u>50,824</u>	<u>24,491</u>
<i>Accommodation expenses</i>		
Rent buildings	4,579	449
Maintenance buildings	9,446	1,271
	<u>14,025</u>	<u>1,720</u>
<i>Office expenses</i>		
Office supplies	7,032	8,670
Automation costs	1,155	969
Postage	254	236
	<u>8,441</u>	<u>9,875</u>
<i>Selling and distribution expenses</i>		
Exhibition costs	<u>10,637</u>	<u>-</u>
<i>General expenses</i>		
Accounting costs	6,121	2,487
Administrative costs	6,661	4,168
Insurance	56	-
Tax and levy	658	-
Other	28	-
Fiscal fine	35	3,164
Other general expenses	4,162	3,077
	<u>17,721</u>	<u>12,896</u>
<b>Financial income and expenses</b>		
<b>8. Interest and similar income</b>		
Interest savings accountants	<u>1</u>	<u>-</u>
<b>9. Changes in value of financial assets and of securities</b>		
Exchange results securities	1,289	-6,118
Other value changes	-	246
	<u>1,289</u>	<u>-5,872</u>



	Balance 2018	Balance 2017
	€	€
<u>Other value changes</u>		
Other readjustments	-	246
	<u>          </u>	<u>          </u>
<b>10. Interest and similar expenses</b>		
Bank expenses	-735	-808
	<u>          </u>	<u>          </u>