

**THE HOME PROJECT –
NON-PROFIT ORGANIZATION (N.P.O.)**

**ANNUAL FINANCIAL STATEMENTS
DECEMBER 31st, 2018**

(JANUARY 1ST, 2018 – DECEMBER 31ST, 2018)

ACCORDING TO THE GREEK ACCOUNTING STANDARDS

**THE HOME PROJECT
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Report of the Independent Certified Public Accountant

To the Board of Directors of
“THE HOME PROJECT” N.P.O.

Audit Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of the non-profit organization **“THE HOME PROJECT”** which comprise of the financial position as of December 31st, 2018, and the income statement for the year then ended, as well as the related annex.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the **“THE HOME PROJECT”** N.P.O. on 31 December 2018, its financial performance for the year then ended, in accordance with the provisions of L.4308 / 2014 as applies.

Basis for Opinion

Our audit revealed the following:

We conducted our audit in accordance with the International Standards on Auditing (IAS) as transposed into Greek law. Our responsibilities according to these standards are further described in the section of our report "Auditor Responsibilities for the Audit of Financial Statements". We are independent of the Company according to the Code of Ethics for Professional Auditors of the Council of International Standards of Ethics of Auditors, as transposed in Greek Law and the ethical requirements related to the audit of financial statements in Greece and we have fulfilled our ethical obligations. the requirements of the current legislation and the aforementioned Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Issue

The financial statements for the year ended on 31 December 2017 had not been audited by a Certified Auditor.

Responsibilities of the Management regarding the Financial Statements

The management is responsible for the preparation and reasonable presentation of the financial statements in accordance with the provisions of Law 4308/2014 as well as for those internal control flaws that the management determines as necessary, in order to enable the preparation of financial statements free of material error, due to either fraud or error.

During the preparation of the financial statements, the management is responsible for the evaluation of the Company's ability to continue its activity, disclosing where such a case occurs, the issues related to the continuing activity and the use of the accounting principle of the continuing activity, except if the management either intends to liquidate the Company or to cease its activity or has no other realistic alternative than to take these actions.

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement due to fraud or error, and to issue an auditor's report containing our opinion. Reasonable assurance is a high level assurance, but it is not a guarantee that the audit carried out in accordance with the IAS, as transposed into Greek law, will always identify a material error, when it exists. Errors may result from fraud or mistakes and are considered material when, separately or together, they could reasonably be expected to influence users' financial decisions based on these financial statements.

As a task of the audit, according to the IAS as transposed in the Greek Law, we exercise professional judgment and maintain professional skepticism throughout the audit. Also:

- We identify and evaluate the risks of material misstatement of the financial statements, whether due to fraud or error, by designing and carrying out audit procedures in response to these risks and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material error due to fraud is higher than that due to a mistake, as the fraud may involve collusion, forgery, intentional omissions, false assurances or circumvention of internal control.
- We understand the internal controls related to the audit, in order to design audit procedures appropriate to the circumstances, but not in order to express an opinion on the effectiveness of the Company's internal controls.
- We evaluate the adequacy of the accounting principles and methods used and the reasonableness of the accounting estimates and the relevant disclosures made by the Management.
- We decide on the appropriateness of the use by the management of the accounting authority of the continuing activity and based on the audit evidence obtained as to whether there is material uncertainty about events or circumstances that may indicate material uncertainty as to the Company's ability to continue its operation. If we conclude that there is material uncertainty, we are obliged to underline the relevant disclosures in the financial statements in the auditor's report or if these disclosures are insufficient, to differentiate our opinion. Our conclusions are based on audit evidence obtained up to the date of the auditor's report. However, future events or circumstances may result in the Company ceasing to operate as an ongoing activity.
- We evaluate the overall presentation, structure and content of the financial statements, including disclosures, and whether the financial statements reflect the underlying transactions and events in a way that achieves a fair presentation.

Among other things, we report to the management, the planned scope and timing of the audit, as well as significant audit findings, including any significant deficiencies in the internal control that we identify during our audit.

Piraeus on December 30th, 2020

Chartered Accountant-Auditor

CHARALAMPOS EVLAMPIDIS
Reg. No. S.O.E.L. (The Institute of Certified Public Accountants of Greece): 20571
MOORE STEPHENS CHARTERED ACCOUNTANTS S.A.
93 AKTI MIAOULI, PIRAEUS
Reg. No. S.O.E.L.: 119

**THE HOME PROJECT
NON-PROFIT ORGANIZATION
STATEMENT OF FINANCIAL POSITION
DECEMBER 31st, 2018
(Amounts in Euros)**

	<u>Note</u>	<u>31.12.2018</u>	<u>31.12.2017</u>
NON-CURRENT ASSETS			
Tangible Assets			
Buildings	5	2,392.67	--
Other equipment	5	43,702.47	21,097.38
Total		<u>46,095.14</u>	<u>21,097.38</u>
Intangible assets			
Other intangible assets	5	14,606.40	14,606.40
Total		<u>14,606.40</u>	<u>14,606.40</u>
Financial assets			
Rent guarantees	6	12,070.55	5,185.10
Total		<u>12,070.55</u>	<u>5,185.10</u>
Total non-current assets		<u>72,772.09</u>	<u>40,888.88</u>
CURRENT ASSETS			
Inventories			
Advances for inventories		6,358.30	6,053.87
Total		<u>6,358.30</u>	<u>6,053.87</u>
Financial data and advances			
Other receivables-VAT		--	24,025.98
Other financial data		1,245.18	1,245.18
Prepaid expenses		--	348.31
Cash and cash equivalents	7	1,623,182.25	892,175.80
Total		<u>1,624,427.43</u>	<u>917,795.27</u>
Total current assets		<u>1,630,785.73</u>	<u>923,849.14</u>
Total Assets		<u>1,703,557.82</u>	<u>964,738.02</u>
NET WORTH			
Paid-up capital			
Capital		1,000.00	1,000.00
Total		<u>1,000.00</u>	<u>1,000.00</u>
Reserves under law or charter reserves			
Results carried forward		1,609,351.73	922,024.94
Total		<u>1,609,351.73</u>	<u>922,024.94</u>
Total net worth		<u>1,610,351.73</u>	<u>923,024.94</u>
LIABILITIES			
Short-term liabilities			
Trade liabilities (Suppliers)		17,141.52	20,487.03
Other taxes and fees	8	11,491.06	4,987.80
Social security organizations		48,408.93	16,165.10
Other liabilities	9	16,164.58	73.15
Total		<u>93,206.09</u>	<u>41,713.08</u>
Total liabilities		<u>93,206.09</u>	<u>41,713.08</u>
Total Net worth and Liabilities		<u>1,703,557.82</u>	<u>964,738.02</u>

**THE HOME PROJECT
NON-PROFIT ORGANIZATION
STATEMENT OF FINANCIAL ACTIVITY
DECEMBER 31st, 2018
(Amounts in Euros)**

	<u>Note</u>	<u>31.12.2018</u>	<u>31.12.2017</u>
INCOME			
Received donations	10	3,055,537.93	1,914,977.83
Deposit interest		2,881.67	--
Income of the previous year		--	220.21
		<u>3,058,419.60</u>	<u>1,915,198.04</u>
EXPENSES			
Remuneration and staff expenses	11	734,888.52	177,941.56
Third party fees and expenses		40,102.57	44,126.18
Third party benefits	12	243,037.87	58,177.83
Taxes-Fees	13	102,191.16	2,509.90
Other Expenses	14	1,249,164.06	715,144.55
Interest and related expenses		879.07	909.07
Extraordinary and inorganic expenses		750.83	256.01
Expenses of previous years		78.73	--
		<u>2,371,092.81</u>	<u>999,065.10</u>
OPERATING SURPLUS		687,326.79	916,132.94
TRANSFERRED ACCUMULATED RESERVES		<u>922,024.94</u>	<u>5,892.00</u>
ACCUMULATED RESERVES 31.12.2018/31.12.2017		<u>1,609,351.73</u>	<u>922,024.94</u>

THE HOME PROJECT
NON-PROFIT ORGANIZATION
Notes to the financial Statements
prepared according to the Greek Accounting Standards (G.A.S.)
December 31st, 2018
(Amounts in Euros)

1. **Company Information**

The company was founded on December 9, 2016 under the name “THE HOME PROJECT NON-PROFIT ORGANIZATION” with GEMI (General Electronic Commercial Registry) no. 140819401000. The bodies that direct and manage the affairs of the company are: The General Meeting of the Partners, the Administrator and Legal Representative and the Executive Director.

The headquarters of the company is located at 32 Pindarou Street, Athens, PC 10673.

The attached financial statements relate to the period from January 1st, 2018 to December 31st, 2018 and have been prepared in accordance with the provisions of article 16 par. 5 of L. 4308/2014, ie a Statement of Financial Position, a Statement of economic activity and an Annex have been prepared. According to article 2 par.4 of L.4308 / 2014, the company is classified in the category of small entities.

Company Prospect

The General Meeting of the partners conducts an annual financial reporting that ensures the continuation of its activity without reducing the cash. In this context, it seeks to reduce expenditure and increase revenue, so that any deficit in economic activity is temporary.

With this belief, the financial statements have been prepared with the assumption that the business will continue.

2. **Purpose**

It is a non-profit, public benefit and humanitarian character company and more specifically, it operates in social welfare services by providing accommodation for children and young people (providing housing, food, medical, psychosocial and material support, education and social inclusion) and the promotion of the individual rights of refugees and immigrants who take refuge in Greece for the purpose of either settling in it, or with the expectation of waiting for departure and permanent residence in a third country without religion, gender, tribe and ethnicity discrimination.

3. **Books and Data - Period of Economic Activity**

The company keeps the required accounting books and data provided by Law 4308/2014 by digital means.

The books and data used are considered sufficient to contribute to an effective internal control system.

The corporate year starts on January 1st and ends on December 31st of each year.

THE HOME PROJECT
NON-PROFIT ORGANIZATION
Notes to the financial Statements
prepared according to the Greek Accounting Standards (G.A.S.)
December 31st, 2018
(Amounts in Euros)

4. Basic accounting principles

4.1. Bookkeeping currency

The company books are kept in Euro and the attached financial statements are expressed in this currency.

4.2. Depreciation of fixed assets

Fixed assets are shown at acquisition cost. The company will carry out depreciations at the end of the fiscal year 2020 with the legal rates that will coincide with those provided by the tax legislation (see Note 5).

4.3. Foreign currency conversion

The company's transactions in foreign currency are converted into Euros using the exchange rates that are valid at the time of payment.

4.4. Donations - Grants - Partner Contributions

Donations and contributions of partners received for the realization of the purposes of the company according to the articles of association, appear in the statement of financial activity (income-expenses) under the title "RECEIVED DONATIONS".

4.5. Taxation

According to Circular No. 1059/2015, in Non-Profit Organizations, their gross income, subject to tax, is considered only that which derives from business activity.

Memberships and subscriptions of members, as well as sponsorships or donations to them, as they are capital inputs, ie they lack the conceptual features of income, they do not fall under the concept of gross income and are not taxed.

in Non-Profit Organizations are subject to business tax.

With regard to VAT taxation, an exemption is provided for the activities of non-profit legal entities.

THE HOME PROJECT
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Notes to the financial Statements
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5. **Buildings - Other Equipment - Other Intangibles**

	Buildings- Buildings- Technical Works Facilities	Furniture-Other equipment	Other Intangibles- Software	TOTAL
<u>Acquisition value</u>				
Acquisition cost 1.1.2017	--	9,015.06	14,606.40	23,621.46
Purchases 1.1-31.12.2017	--	12,082.32	--	12,082.32
Acquisition cost 31.12.2017	--	21,097.38	14,606.40	35,703.78
Purchases 1.1-31.12.2018	2,392.67	22,605.09	--	24,997.76
Acquisition cost 31.12.2018	2,392.67	43,702.47	14,606.40	60,701.54
<i>Net value 31.12.2018</i>	<i>2,392.67</i>	<i>43,702.47</i>	<i>14,606.40</i>	<i>60,701.54</i>
<i>Net value 31.12.2017</i>	<i>--</i>	<i>21,097.38</i>	<i>14,606.40</i>	<i>35,703.78</i>

According to par. 8 of article 24 of L.4172 / 2013, it is stipulated that new companies may postpone the tax depreciation of the company's assets during the first three (3) tax years. Therefore, the company, as a new company, during the first three (3) tax years, the first one being on which the declaration of commencement of work was submitted and for all their fixed assets, has the possibility not to carry out any tax depreciation. From the fourth tax year onwards, tax depreciation will be calculated in accordance with Article 24 for all fixed assets regardless of the year in which the fixed assets were acquired. It is emphasized that the choice of non-depreciation concerns, on the one hand, the total fixed assets (that is, either no tax depreciation will be incurred for any fixed assets or will be incurred for all) and on the other hand, the total of three years (ie the business will not carry out tax depreciation or will carry it out during the first three (3) tax years). The company will carry out depreciation at the end of the fiscal year 2020.

6. **Rent guarantees**

	2018	2017
10, LAMPELET street guarantee	260.00	260.00
89, ALKAMENOUS street guarantee	915.10	915.10
ATTHIDON street guarantee	1,100.00	1,100.00
MOSCHONISION street guarantee	1,100.00	1,100.00
9, IAKINTHOU street guarantee	1,800.00	--
47, LEFKOSIAS street guarantee	1,158.30	--
MONIS PRODROMOU street guarantee	1,300.00	--
47, LEFKOSIAS street guarantee (B)	579.15	--
BATATZI street guarantee	2,048.00	--
32, PINDAROU street guarantee	1,810.00	1,810.00
	12,070.55	5,185.10

THE HOME PROJECT
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Notes to the financial Statements
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7. Cash and cash equivalents

	<u>2018</u>	<u>2017</u>
Cash	10,203.50	2,400.00
Sight deposits-Piraeus Bank	412,978.75	889,775.80
Fixed-term deposits-Piraeus Bank	1,200,000.00	-

8. Other taxes and fees

	<u>2018</u>	<u>2017</u>
Employee Services Tax & Special Solidarity Contribution	11,219.89	4,937.80
Third party fees tax	271.17	50.00
	<u>11,491.06</u>	<u>4,987.80</u>

9. Other liabilities

	<u>2018</u>	<u>2017</u>
Remuneration of salaried staff payable	11,339.69	73.15
Remuneration of staff payed on a daily basis payable	4,824.89	-
	<u>16,164.58</u>	<u>73.15</u>

10. Received donations

	<u>2018</u>	<u>2017</u>
Individuals	39,024.18	5,367.55
Foundations (a)	2,017,153.66	1,001,716.18
Partner contributions for operational needs	933,306.00	837,500.00
Companies	64,491.77	70,394.10
Other legal entities	1,562.32	-
	<u>3,055,537.93</u>	<u>1,914,977.83</u>

(a) An amount of €2,012,000 is included for the year 2018 and 1,000,000 for the year 2017 from IKEA FOUNDATION.

11. Remuneration and staff expenses

	<u>2018</u>	<u>2017</u>
Staff remuneration	584,073.79	138,000.24
Premiums & clothing	3,212.09	3,450.85
Employer contributions	147,602.64	36,490.47
	<u>734,888.52</u>	<u>177,941.56</u>

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12. **Third party benefits**

	<u>2018</u>	<u>2017</u>
Electricity	24,418.30	678.00
Water supply	11,440.66	-
Telecommunications	15,182.92	6,374.29
Rents	106,130.93	17,546.55
Repairs and maintenance of buildings	82,596.06	33,342.65
Other benefits	3,269.00	236.34
	<u>243,037.87</u>	<u>58,177.83</u>

13. **Taxes-Fees**

	<u>2018</u>	<u>2017</u>
Rental stamp duty	3,637.11	482.71
VAT deductible on income tax	87,290.47	1,498.55
Donation tax	10,831.33	-
Other taxes-fees	432.25	528.64
	<u>102,191.16</u>	<u>2,509.90</u>

14. **Other Expenses**

	<u>2018</u>	<u>2017</u>
Transportation expenses	2,713.23	4,822.79
Travel expenses	15,241.67	6,870.64
Promotion and advertising expenses	3,935.02	3,122.45
Subscriptions	-	100.00
Donations for charitable purposes (a)	1,026,260.65	665,201.45
Forms and stationery	2,866.67	1,413.47
Immediate consumption materials	445.63	2,378.89
Miscellaneous other expenses (common expenses, food)	197,701.19	31,234.86
	<u>1,249,164.06</u>	<u>715,144.55</u>

(a) Relates to donations made to non-profit legal entities and voluntary NGOs (mainly to associates in the field) such as: MEDICAL INTERVENTION, MELISSA NETWORK, ARSIS, ILIAKTIDA (KALLITHEA).

**THE HOME PROJECT
NON-PROFIT ORGANIZATION**
Notes to the financial Statements
prepared according to the Greek Accounting Standards (G.A.S.)
December 31st, 2018
(Amounts in Euros)

15. Approval of Financial Statements

The financial statements of the Company have been approved by the General Meeting on... December, 2020.

16. Contingent liabilities

a. The following contingent liabilities exist at the closing date of the financial statements:

The tax liabilities of the Company have not been examined by the tax authorities for the years 2017 and 2018.

In addition, according to settled case law of the Council of State and administrative courts, in the absence of a prescription provision in the Code of Stamp Duties, the relevant claim of the State for the imposition of stamp duties is subject to the twenty-year limitation period under Article 249 of the Civil Code.

Our assessment is that any taxes that may arise will not have a material effect on the financial statements.

17. Events after the date of preparation of the Financial Statements

After March 10, 2020, when the World Health Organization described the spread of the virus under the name Covid-19 as a pandemic, the Greek Government proceeded to issue a series of Acts of Legislative content to address the effects. Initially on 11/03/2020 with the Government Gazette 55, Issue A among others, the Activity Code Numbers (K.A.D.) of the sectors affected by the spread of the virus were determined. The company has a main activity (KAD 87.90. 11.00) which during the first quarantine (March 2020) belonged to the affected companies but without taking advantage of the provisions of the affected companies. In the second quarantine (November 2020) they were not included in the affected companies.

The economic impact of the global Covid-19 pandemic is expected to put a negative pressure on the company's revenue and cash flow, but at this stage it is not possible to quantify them as the phenomenon is ongoing, while there are government measures that will mitigate its negative effects. The management of the company estimates that the negative consequences of the phenomenon will not be such as to jeopardize the continuation of its activity.

Apart from the above, no other event has occurred which significantly affects the financial structure or business course of the company from 31.12.2018 until the date of approval of the financial statements by the General Meeting.

Βεβαιώνω ότι το ανωτέρω κείμενο, υποστηρίζεται στην αγγλική γλώσσα, της οποίας έχω (παρατηρήσεις), αποστείλει ακριβή μεταφράσεις των συμπληρωματικών ελληνικών κειμένων (άρθρο 36 Ν. 4194/2013).

Αθήνα, 02/03/2021

Η βεβαιώσα δικηγόρος
ΑΓΓΕΛΙΚΗ ΛΟΥΚΑΪΔΗ
ΔΙΚΗΓΟΡΟΣ

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