

Report

**on the Audit
of the Cash Income Statement as at 31 December 2019**

**CRISP - Crisis Simulation for Peace e. V.
Berlin**

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For computational reasons, rounding differences may occur in the tables.

List of abbreviations

CRISP	Crisis Simulation for Peace e. V.
HGB	German Commercial Code [Handelsgesetzbuch]

1 **Audit assignment**

For CRISP - Crisis Simulation for Peace e. V., Berlin

With a letter dated 14 March 2019, acting on behalf of the Management Board of the CRISP Association - Crisis Simulation for Peace e. V., Berlin - Mr Florian Dunkel, as the Management Board, commissioned us to audit the

Cash Income Statement as at 31 December 2019

of the CRISP Association - Crisis Simulation for Peace e. V.,

Berlin,

- hereinafter also referred to as the "Association" -

including the accounting records. As agreed, we audited the Cash Income Statement for compliance with the German principles of proper accounting. The audit was commissioned on a voluntary basis; It is neither an annual audit pursuant to Section 316 of the HGB nor an audit review.

The General Terms of Contract for Auditors and Auditing Companies, enclosed with this Report as a final annex, shall apply to the performance of the assignment and our responsibility, also in relation to third parties.

We issue this Report regarding the type, scope and results of our audit; this is not an audit report as defined in Section 321 of the HGB.

2 Key findings

Position of the Association

The legal representatives have issued statements regarding the position of the Association, both on the Cash Income Statement and in other documents.

As a result of our audit, we provide the following summary of the key statements regarding the business performance and position of the Association:

The Association has been involved in the field of civil conflict transformation in post-war regions since 2007. As part of this involvement, projects and seminars are offered both by the Association itself and by its local partner organisations. In the year under review, projects were implemented by the Association in countries such as Kyrgyzstan, Jordan and Egypt, to name a few.

The Association closed the year under review with a surplus of EUR 102 thousand. As a result, earnings rose by EUR 136 thousand compared with the previous year. Project grants of EUR 1,162 thousand, other reimbursements of EUR 81 thousand, membership fees of EUR 1 thousand and donations of EUR 2 thousand are offset by personnel costs of EUR 281 thousand and material costs of EUR 965 thousand. Due to the acquisition of new sponsors for project funding and the expansion or increase in the number of projects, income from project grants increased by EUR 543 thousand in the year under review. The increase in other reimbursements (+ EUR 22 thousand) is largely due to an increase in the reimbursement of fees for individual projects.

Personnel and material costs also rose in line with the increase in the number of projects. The personnel costs increased to EUR 281 thousand (+ EUR 67 thousand) and the material costs increased to EUR 863 thousand (+ EUR 362 thousand). The recruitment of new staff in the previous year had its first full-year impact on personnel expenses in the year under review. The largest items within the material costs are expenses for project partners at EUR 558 thousand (+ EUR 238 thousand) and travel expenses at EUR 123 thousand (+ EUR 72 thousand).

In the year under review, the approved project grants are spread across 16 projects (previous year 8 projects) to varying degrees. Of this amount, a total of EUR 558 thousand was passed on to partner organisations. The largest amount was transferred to the local partner for the project "Y-LEAD - Creating Civic Spaces for Active Citizenship" to the value of EUR 315 thousand, and to the local partner for the project "A Vision for Jordan 2025 - Supporting Youth Active Citizenship for Community Development" to the value of EUR 154 thousand.

3 Subject, type and scope of the audit

The subject of our audit were the accounting records and the Cash Income Statement compiled on their basis (Annex I). As part of our audit, we also examined whether the German principles of proper accounting applicable to financial reporting were complied with.

The legal representatives are responsible for the accounting records, the preparation of the Cash Income Statement as well as the information given to us. Within the framework of our audit, our task is to assess the documents submitted and the information provided by the legal representatives.

The audit was carried out at the premises of the Association in March 2020. Further audit procedures and the preparation of the audit report took place in our offices in Berlin.

All information, clarifications and evidence requested by us were readily provided to us by the legal representatives and the employees designated as our contact persons. Additionally, in accordance with professional practice, the legal representatives issued a declaration of completeness confirming to us in writing that the accounting records and the Cash Income Statement to be audited contain all expenses and revenues and that all necessary information had been provided.

According to the declaration, there had been no significant events since the end of the financial year and neither did any such events become known to us in the course of our audit.

Within the framework of the audit, sufficient and appropriate evidence supporting the disclosures in the accounting records was obtained. The audit includes an assessment of significant estimates made by the legal representatives, as well as an evaluation of the overall presentation of the Cash Income Statement. We believe that our audit provides a reasonable basis for our audit opinion.

The audit procedures for obtaining audit evidence essentially included analytical audit procedures and case-by-case reviews. We determined the extent of our case-by-case reviews by way of deliberate selection.

When selecting the type and scope of the audit procedures, we followed the principles of materiality and efficiency.

We abstained from obtaining written information from lawyers due to the contractually agreed limited scope of the audit.

4 **Findings and explanatory notes on the financial reporting**

The organisation of the accounting records and the accounting-related internal control system make it possible for business transactions to be recorded in a manner that is complete, correct, timely and orderly. The organisation of the accounting system is appropriate to the circumstances of the Association. According to our findings, the accounting records, the Cash Income Statement and the other audited files, including the documentation system of the Association, comply with the German principles of proper accounting in all material respects. The audit revealed no cause for objections.

The starting point for the audit was the Cash Income Statement for the period to 31 December 2018, which we audited and certified on 11 April 2019.

5 **Certificate**

We have audited the Cash Income Statement of the CRISP Association - Crisis Simulation for Peace e. V., Berlin, for the financial year from 1 January to 31 December 2019, including the accounting records. The accounting records and the preparation of the Cash Income Statement in accordance with the German principles of proper accounting are the responsibility of the legal representatives of the Association. Our task is to use our audit as a basis and to express our opinion on the Cash Income Statement, including the accounting records.

Our audit procedures for obtaining audit evidence essentially included analytical audit procedures and case-by-case reviews. We determined the extent of our case-by-case reviews by way of deliberate selection. We believe that our audit provides a reasonable basis for our opinion in the context of our audit assignment.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the Cash Income Statement complies with the German principles of proper accounting in all material respects.

Berlin, 06 April 2020

Solidaris Revisions-GmbH
Auditing Company
Tax Advisory Company
Berlin branch office

Dirk Römer
Auditor

Joris Pelz
Auditor

Annexes

Cash Income Statement for the period from 1 January to 31 December 2019

	<u>2019</u>	<u>2018</u>
	EUR	EUR thousand
1. Project grants	1,162,201.15	619
2. Membership fees	1,431.60	2
3. Donations	1,531.36	1
4. Other reimbursements	<u>81,077.35</u>	<u>59</u>
	1,246,241.46	681
5. Personnel costs	281,337.55	214
6. Material costs	<u>862,715.31</u>	<u>501</u>
7. Surplus/Deficit	<u><u>102,188.60</u></u>	<u><u>-34</u></u>

Basic informationBasic legal information

Name	CRISP - Crisis Simulation for Peace e. V.
Headquarters	Berlin
Legal status	Registered association
Register of associations	Berlin Charlottenburg Local Court VR 27568 B (last entry made on 21 May 2019)
Purpose of the Association	The Association serves to promote conflict transformation in post-war regions.
Business year	Calendar year
Organs of the Association	General Assembly Management Board
Management Board	Florian Dunkel, Berlin Andreas Muckenfuß, Berlin Gerrit Kraemer, Berlin

This is to certify that the foregoing page(s) is/are a true and correct translation of the German Original Copy



(Frank Herder)
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Solingen, this 14 Day of April 2020.....