

- Translation from the German -



Report

of our audit of the Income Statement as at 31 December 2020

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

Contents

	Page
1. Audit assignment	9
2. Basic findings	10
Situation of the Association	10
3. Subject, nature and scope of our audit	12
4. Findings and statements regarding the accounts	14
5. Certificate	15

List of annexes

Annual accounts

- I Income Statement for the period 1 January to 31 December 2020

Other annexes

- II Fundamentals

Legal fundamentals

General Engagement Terms for Auditors and Chartered Accountants

For computational reasons rounding-off difference may arise in the tables

List of abbreviations

CRISP CRISP - Crisis Simulation for Peace e.V.

EStG German Income Tax Act

HRB German Commercial Code

KEUR Thousand Euro

1. Audit assignment

To: the association CRISP – Crisis Simulation for Peace e. V., Berlin

On behalf of the board of directors of CRISP – Crisis Simulation for Peace e. V., Berlin, Mr Florian Dunkel, as chairman of the board of directors, commissioned us in a letter dated 9 March 2021 to prepare the

Income Statement as at 31 December 2020
of the association CRISP – Crisis Simulation for Peace e.V., Berlin,
– hereinafter “the Association” –

including the accounts of the Association. We have accordingly audited the Income Statement for compliance with German generally accepted accounting principles. This audit is voluntary; it is neither an audit of the annual financial statements in accordance with section 316 HGB nor an audit review.

Execution of our audit assignment and our responsibility – including in relation to third parties – are subject to the General Engagement Terms for Auditors and Chartered Accountants, which are attached to this report as a concluding annex.

We are issuing this report on the nature and scope of our audit and the audit results obtained; this is not an audit report within the meaning of section 321 HGB.

2. **Basic findings**

Situation of the Association

The Association's legal representatives have commented on the situation of the Association in the Income Statement and in other documents.

On the basis of our audit findings, we hereby provide the following summary of the course of business and the situation of the Association:

The Association has been engaged in the field of civil conflict management in post-war regions since 2007. This work involves projects and seminars being offered and conducted by the Association itself as well as by local partner organisations. Projects were carried out by the Association in the reporting year in Kyrgyzstan, Jordan, Egypt and other countries.

The Association uses the cash-basis accounting method for determining its profits, in accordance with section 4 (3) EStG. The operating income received and operating expenditure incurred up to the reporting date of 31 December 2020 will accordingly influence the net result for the year.

The Association closed the year of the report with a loss of KEUR 49, after recording a net surplus of KEUR 102 in the previous year. The change in annual result compared to the previous year was influenced primarily by project funding received in 2019 for projects planned for 2020.

Project funding of EUR 939,000, project implementation for third parties totalling EUR 52,000, other income totalling EUR 23,000, membership fees totalling EUR 1,000 and donations totalling EUR 1,000 are set against personnel costs at EUR 316,000 and material costs at EUR 749,000. Income from project funding in the reporting year was down by KEUR 224 compared to the previous year and, in addition to the facts mentioned above, resulted from a decline in volume of approved project funding. The decline in income from project implementation for third parties (EUR -27,000) is due in particular to the current order situation in the wake of the Corona pandemic. The other income is made up of income from short-time allowances and Corona grants (KEUR 23).

Personnel costs increased to KEUR 316 (+ KEUR 35) while material costs decreased to KEUR 749 (KEUR -113, of which KEUR -28 relate to fees). The decrease in material costs is largely due to a pandemic-related decrease in travel costs (KEUR -99), while the increase in personnel costs is due mainly to job adjustments. Within the material costs, the largest items are expenses for project partners at KEUR 616 (KEUR +58) and travel costs at KEUR 23 (KEUR 99).

Approved project funding is distributed in varying amounts among 14 projects in the reporting year (previous year 16 projects), a total of KEUR 616 of which was forwarded to partner organisations. The largest transfer in terms of amount was to the local partner (CDS - Center for Development Services) for the project "Y LEAD – Creating Civic Spaces for Active Citizenship" at EUR 368,000 and to the local partner of the project in Jordan "Masarna" – Our Pathway: Fostering Jordan Youth Vision Towards Effective Civic Engagement and Self Reliance at EUR 139,000.

3 Subject, nature and scope of our audit

The subject of our audit was the bookkeeping and the Income Statement drawn up on that basis (Annex I). The audit also covered compliance with the German generally accepted accounting principles applicable to financial reporting.

The Association's legal representatives are responsible for the accounts and preparation of the Income Statement as well as the information provided to us. Our responsibility is to assess the documents submitted by the legal representatives and the information provided on the basis of our audit.

The audit and preparation of the audit report took place in our offices in Berlin in the months of April and May 2021.

All information, disclosures and evidence that we requested were provided to us willingly by the legal representatives and employees authorised to provide information. The legal representatives also confirmed to us in writing, in the form of a standard declaration of completeness, that all expenses and income were included in the accounts and in the Income Statement to be audited and that all necessary information was provided.

In the course of our audit, sufficient and appropriate evidence was obtained to support the data shown in the accounts and the Income Statement. Our audit also comprised an assessment of the principal estimates made by management, as well as an evaluation of the overall picture presented by the Income Statement. We believe that our audit provides a sufficiently secure basis for our audit opinion.

The various audit procedures followed in order to obtain evidence of the figures to be audited comprise primarily analytical audit measures and individual case verifications. We determined the scope of our individual case audits by means of conscious selection.

In selecting the type and scope of the audit procedures, we observed the principles of materiality and cost-effectiveness.

As part of our verification of evidence, we obtained confirmations of commitment from the credit institutions.

Due to the limited scope of our audit assignment, we dispensed with procurement of written information from lawyers.

4 Findings and statements regarding the accounts

The organisation of the accounts and the accounting-related internal control system allow a complete, correct, punctual and correct recording and booking of business transactions. The organisation of the accounts is appropriate for the circumstances of the Association. According to our findings, the accounts, the Income Statement and the other audited documents, including the records and vouchers kept by the Association, comply in all material respects with German generally accepted accounting principles. Our audit did not lead to any objections.

The starting point of the audit was the Income Statement as at 31 December 2019, which was audited by us and certified with our audit certificate of 6 April 2020.

5 Certificate

We have audited the Income Statement, including the accounting records, of CRISP – Crisis Simulation for Peace e. V., Berlin, for the financial year 1 January to 31 December 2020. The bookkeeping and accounts and preparation of the Income Statement in accordance with German generally accepted accounting principles are the responsibility of the legal representatives of the Association. Our responsibility is to present an assessment of the Income Statement, including the accounts, based on our audit.

The audit procedures we followed to secure evidence of the figures to be audited comprise essentially analytical audit measures and individual case verifications. We determined the scope of our individual case audits by means of conscious selection. We believe that our audit provides a reasonable basis for our opinion in the context of the audit assignment.

Our audit has not led to any reservations.

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

Berlin, 14 May 2021

Solidaris Revisions-GmbH
Auditors – Tax Consultants
Berlin Branch

Dirk Römer
Auditor, Tax Consultant

Joris Pelz
Auditor, Tax Consultant

Annexes

Income Statement for the period 1 January to 31 December 2020

	<u>2020</u> EUR	<u>2019</u> KEUR
1. Project grants	938,618.15	1,162
2. Membership fees	1,336.00	1
3. Donations	1,035.47	2
4. Other reimbursements	<u>75,849.38</u>	<u>81</u>
	1,016,839.00	1,248
5. Personnel costs	316,120.10	281
6. Material costs	<u>749,406.03</u>	<u>863</u>
7. Surplus/Deficit	<u>-48,687.13</u>	<u>102</u>

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

Fundamentals

Legal fundamentals

Name	CRISP - Crisis Simulation for Peace e.V.
Official domicile	Berlin
Legal form	Registered association
Register of Associations	Amtsgericht Berlin Charlottenburg VR 27568 B (last entry on 21 May 2019)
Object of the Association	The object of the Association is to promote civil conflict management in post-war regions
Financial year	Calendar year
Executive bodies	General meeting Board of Directors
Board of Directors	Florian Dunkel, Berlin Andreas Muckenfuss, Berlin Gerrit Kraemer, Berlin

***This is to certify that the above text is
the complete translation of and in strict
conformity with the German document***

