



**MISSIONEAST**

## **Annual Accounts 2020**

CVR 14 72 36 92

Approved by the General Assembly, November 4<sup>th</sup>, 2021

Signed by the Chairman of the General Assembly

JAN KJENSLI

DAGBLØKKEVEIS 92A

30 50 HUMLEBÆK

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## Organisational information

### **Mission East**

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Denmark

Website: [www.missioneast.org](http://www.missioneast.org)

E-mail: [admin@missioneast.org](mailto:admin@missioneast.org)

### **Board**

Torben Andersen, Chairman of the Board

Christian Nolsøe

Klaus Jahn

Pia Jerslund

### **Secretary General**

Betina Gollander-Jensen

### **Auditor**

EY

State Authorized Public Auditor Ulrik B. Vassing and Thomas H. Christensen

## Management Statement

The Board of Directors and the management have today considered and approved the annual report for the financial year January 1<sup>st</sup> – December 31<sup>st</sup>, 2020, for Mission East.

The annual report is prepared in accordance with legal requirements.

It is our opinion that the financial statements give a true and fair view of the organisation's assets, liabilities and financial position per. 31 December 2020 and of the result of the organisation's activities for the financial year January 1 - December 31, 2020.

It is also our opinion that business procedures and internal controls established supports that the dispositions covered by the financial statements are in accordance with laws and other regulations as well as with agreements entered and customary practice; and that due financial considerations in the management of the funds and operation of the organisation has been taken.

In addition, it is our opinion that systems and processes have been established that support economy, productivity, and efficiency.

Furthermore, it is our opinion that the management's report contains a true and fair view of the development of the organisation's activities and financial conditions as well as a description of the special risks that the organisation may be affected by.

The annual report is submitted for approval by the Annual General Meeting.

Hellerup, November 4<sup>th</sup>, 2021.

### Secretary General



Betina Gollander-Jensen

### Board



Torben Andersen

Chairman of the Board

Christian Nolsøe



Klaus Jahn

Pia Jerslund

# Independent auditor's report



## To the Board of Directors and Management of Mission East Denmark

### Opinion

We have audited the financial statements of Mission East Denmark for the financial year 1 January – 31 December 2020, which comprise income statement, balance sheet and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act and generally accepted accounting principles, as described on pages 12 to 14 of the "Accounting policies" section of the financial statements.

In our opinion, the financial statements give a true and fair view of the financial position of the Organisation at 31 December 2020 and of the results of the Organisation's operations for the financial year 1 January – 31 December 2020 in accordance Danish Financial Statements Act and generally accepted accounting principles, as described in the accounting policies on pages 12 to 14 of the "Accounting policies" section of the financial statements.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark as well as generally accepted public auditing standards cf. the Ministry of Foreign Affairs' instruction regarding the performance of audit tasks related to activities covered by a Strategic Partnership Agreements. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We are independent of the Organisation in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

### Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and generally accepted accounting principles, as described on pages 12 to 14 of the "Accounting policies" section of the financial statements and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Organisation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless

Management either intends to liquidate the Organisation or to cease operations, or has no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark as well as generally accepted public auditing standards cf. the Ministry of Foreign Affairs' instruction regarding the performance of audit tasks related to activities covered by a Strategic Partnership Agreements will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark as well as generally accepted public auditing standards cf. the Ministry of Foreign Affairs' instruction regarding the performance of audit tasks related to activities covered by a Strategic Partnership Agreements, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organisation's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organisation to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view. ☐

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Statement on the Management's review**

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements. We did not identify any material misstatement of the Management's review.

### **Report on other legal and regulatory requirements**

#### ***Statement on compliance audit and performance audit***

Management is responsible for ensuring that the transactions included in the financial reporting comply with appropriations granted, legislation and other regulations and with agreements entered into and usual practice; and that due financial consideration has been taken of the management of the funds and operations covered by the financial statements. Consequently, Management is responsible for establishing systems and procedures supporting economy, productivity and efficiency.

In performing our audit of the financial statements, it is our responsibility to perform compliance audit and performance audit of selected items in accordance with public auditing standards. When conducting a compliance audit, we test the selected items to obtain reasonable assurance as to whether the transactions covered by the financial reporting comply with the relevant provisions of appropriations, legislation and other regulations as well as agreements entered into and usual practice. When conducting a performance audit, we perform assessments to obtain reasonable assurance as to whether the tested systems, processes or transactions support due financial considerations in relation to the management of funds and operations covered by the financial statements.

We must report on any grounds for significant critical comments, should we find such when performing our work.

In 2019 and 2020, Mission Øst has paid travelling expenses and administrative expenses from its own funds which we assess have not been necessary to realise the purpose of the Organisation. In the financial year 2020, members of the Organisation's Management have been replaced, and we have not subsequently identified any costs in 2021 which we assess do not relate directly to the purpose of the Organisation.

Copenhagen, 4 November 2021  
EY GODKENDT REVISIONSPARTNERSELSKAB  
CVR no. 30 70 02 28

Ulrik Benedict Vassing  
State Authorised  
Public Accountant  
mne32827

Thomas Holm Christensen  
State Authorised  
Public Accountant  
mne46321

# Management Report

## **Main Activities**

Mission East programmes in 2020 covered a spectrum of humanitarian and development interventions, working with our partners and teams in Afghanistan, Armenia, Iraq, Lebanon, Myanmar, Nepal, North Korea, Syria and Tajikistan. The programming, as everything else in 2020, was defined by rising to the challenge of the COVID-19 pandemic.

The impact of our programmes was spread across our main sectors of intervention with 346,150 people provided with emergency relief (including COVID-19 response), while we continued to assist people through interventions in water and sanitation (56,911), long term food security (13,333) livelihoods development (25,198), disaster risk reduction (33,988), disability and inclusion programming (25,744) and protection activities (3,444).

Mission East maintained its commitment to quality in its work, as shown by successful completion of the 4-year cycle of certification against the Core Humanitarian Standard. This recognition of our programmes as relevant and timely was illustrated by the expansion of our assistance to affected populations in the Syrian crisis in 2020. At the end of the year Mission East responded quickly to the impacts of the re-ignited Nagorno Karabakh conflict, providing relief assistance to displaced families who had fled to Armenia.

### *Rapid Response to COVID 19*

Early in 2020, as COVID-19 spread around the world, Mission East quickly launched a global response to support target communities in all our operating countries except North Korea, using flexible and innovative approaches. Existing programmes were disrupted, and the information available on the virus, the level of risk it presented and necessary measures to ensure safety of communities and staff also changed rapidly. Good communications with our donors facilitated quick adaptation of projects or reallocation of funds, and additional resources for emergency response were also secured.

Urgent emphasis was placed on reducing vulnerability to COVID transmission by sharing clear information and hygiene materials, both of which were often in short supply in our hard-to-reach programme locations. As usual, the poorest households were typically those hardest hit by the crisis, so our assistance also addressed needs arising from lockdown/movement restrictions. For example, food packages were distributed in Iraq and Nepal to families normally dependent on daily wage labour or other livelihood activities which had become impossible. In many places, our local partners were essential in enabling delivery of assistance to communities. By the end of 2020, more than 300,000 people had benefited from Mission East's global COVID-19 response activities.

## **Organisational Developments**

The 2020 AGM in May resulted in a full turnover of the Board of Directors leading to some turmoil in the governance and management of Mission East. In October, the Managing Director stepped down to a Founder role focusing on fundraising and supporter engagement and has subsequently left Mission East. Although a very challenging time, 2020 has shown the resilience of the organisation and staff. We believe the organisation will ultimately be strengthened by the changes.

Following the events of the 2020 AGM and public comments about accounting practices, Mission East management and the new Board of Directors hired Deloitte to complete a financial review of the accounting policies related to revenue recognition. The financial review specifically covered: private income, inheritance, public donor income, and recognition of the administration fee. The review was



completed in January 2021 and found that income from private unrestricted sources and inheritance were in accordance with standard accounting principles. However, the report recommended a change to the timing of public donor income recognition on the Income Statement to better align with best practices and standard accounting principles. Secondly and related to public income, the report recommended to shift the timing of the recognition of project administration fees to take the income throughout the project (proportional to direct project spending) rather than at the start of the contract. After some analysis of the impact on financial statements, the Board approved changing accounting procedure with the 2020 annual accounts.

We also sought legal consultation to review the organisational statutes. This resulted in recommendations for strengthening the statutes for a better governance framework.

### *Impact of Change in Accounting Policies*

With the 2020 final accounts, Mission East changed its accounting methodology for public income recognition. This changes the timing for when income and administration fee are recognised in the accounts, shifting some income into future years. The overspending in previous years compared to income available under the new accounting method has a cumulative impact on equity. Thus, the 2020 financial results ended with a negative equity of -1.145 million DKK.

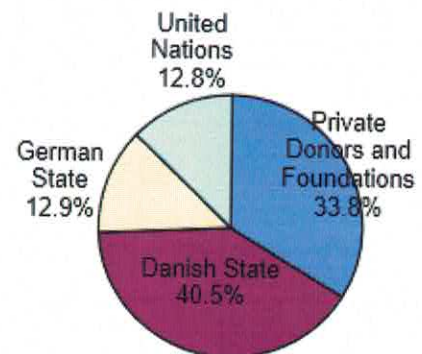
It is important to note that the change in income does not represent a “loss” of funding. Rather it is a shift in income from previous years, allowing us to recognise the project administration fee in future years as projects are implemented. Although this negatively affects the equity at the end of 2020, it also allows availability of project and administration funding for the future. We made this change fully aware of the impact it would have on the financial result. However, we made the decision for a full conversion because it aligns with best accounting practice and will ultimately put Mission East in a stronger financial position in the future.

## **Financial Results**

### *Fundraising and Donors*

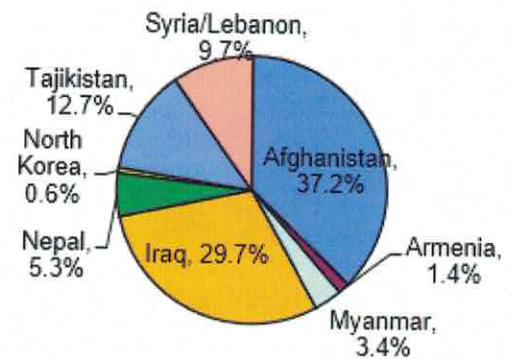
Mission East’s sources of income include private supporters, foundations, and public institutions, with the Danish state continuing to be the largest donor. The year marked Year 3 of implementation of our four-year strategic partnership agreement with the Danish State, which included additional emergency funding for Covid response activities, which was utilized in Syria, Lebanon, Iraq, and Afghanistan. Additional significant funders were the German State (12.9%) and the United Nations (12.8%). Although represented in previous years, the EU-funded projects ended in 2019 so this was no longer a significant portion of funds.

Private donors and foundations (for both non-restricted gifts and project grants) represent approximately one-third of total income. Private donations saw a very successful fundraising year, despite covid uncertainties and other challenges.

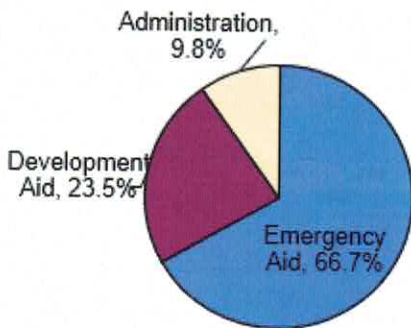


### Programme Spending

In 2020, Afghanistan grew to the largest programme country, largely due to additional covid response funds and implementation of new contracts from the UN and German State. Iraq still remains a significant programme with almost 30% of all project spending. The largest program growth is seen in Syria/Lebanon, which in 2019 represented only approximately 1% of programme spending and reached almost 10% in 2020. This programme growth is due to a large Danish State grant received at the end of 2019 as well as new covid response funds that were used for emergency hygiene kits and other supplies. We expect such growth to continue as we pursue additional funding or both countries and expand our partnerships.



The programmatic split between emergency humanitarian projects and development projects continued to be heavier on emergency spending as in previous years. However, emergency spending as a percentage of programmes even increased in 2020 to 66.7% of total expenses (from 60% in 2019). Development aid expenses decreased to 23.5% of expenses. This reflects the increasing humanitarian needs and the global situation during the year, including restrictions limiting or delaying development project activities. When appropriate, Mission East was able to adjust plans and redirect funds to emergency response including covid prevention and food distribution.



The administration costs for 2020 total 9.8% of the total spending, which is a reduction from 2019.

### Final Results

Mission East's total revenue for 2020 was approximately 79.1 million DKK. This is a slight increase from previous years (5% increase from 2019), which is mainly seen in increased public income and higher private supporter donations. The "financing income" in the income statement is related to exchange rate adjustments. The final result of the year is a net profit of 2.98 million DKK. This is a very positive result for Mission East, particularly in the face of cancelled donor events, global uncertainties, and the implementation limitations in our programme countries.

Although the turnover result is extremely positive, the change in accounting methodology has resulted in a negative closing equity. As already described, this change shifts income from past years into the future – some of that shift is actually seen in the income in 2020, and some will be recognised in 2021 and 2022. When stating the 2019 financial reporting according to the new income policy, the year ended with a net profit result of 960,402 DKK and equity of negative 4.1 million DKK. Therefore, even with the 2020 profit, we have not yet moved into a positive equity. However, there is a clear trend in the right direction over the past 3 years, and as we grow and strengthen programmes and organisational capacity, we are optimistic about the financial position in 2021.

### Expectations for 2021 Financial Year

The Mission East 2021 budget was revised in order to align with estimates according to the new income policies and includes an estimated total turnover of approximately 88 million DKK. With the new policy on recognition of project administration fee, the income available for HQ operations and support costs is more dependent on project spending levels, and this has been taken into account in income estimates. However, we are aware that it becomes even more important to monitor project spending and adjust assumptions to ensure the health of the overall organisation. This is a top priority in 2021 as part of incorporating all the 2020 changes and lessons learned into better operating practices.

Additionally, in early 2021, we received a large inheritance donation, which has already early in the year surpassed normal private fundraising and allows greater confidence in a positive outcome at the end of 2021. This increased private unrestricted funding, along with projects carried over from 2020 and new projects starting in 2021, gives Mission East a very optimistic financial outlook, and we are forecasting to end 2021 with an equity of over 2 million DKK.

### *Organisational review and Changes*

At the start of 2021, Mission East transitions to a new Managing Director to lead the organisation following the turbulence of 2020. Although a divergence from the foundational leadership throughout Mission East history, this change in management is anticipated to restabilize the organisation and strengthen our role as an impactful leader in international development work.

With so much focus on regaining the financial health of Mission East, one priority for 2021 is to review organisational capacity and ensure that resources are being used in the right places. We anticipate some headquarters restructuring of positions to meet the needs of the organisation in the most efficient way. Additionally, a focus will be on increasing finance capacity and system improvements in order to strengthen our ability to meet financial needs in increasingly complex programme locations and donor requirements in the coming years.

Mission East is undertaking several additional core organisational systems and improvements in 2021, including rewriting the governance statutes, setting policies for GDPR compliance, renewing our 4-year Core Humanitarian Standards audit, updating Safeguarding policies, and using lessons learned from remote work to improve our global communication and knowledge sharing through remote trainings and workshops. Also significant will be the preparation of the new 2022-2030 Mission East Strategy as the current strategy expires at the end of 2021.

Finally, 2021 will be the 4<sup>th</sup> and final year of the Strategic Partnership Agreement under the Danish State, which funds project implementation in Afghanistan, Iraq, and Syria. This is an extremely important part of Mission East funding, and we will be applying for the next 4-year cycle of funding to begin in 2022. As humanitarian needs grow worldwide, we will continue to seek ways to meet those needs for many of the most vulnerable people, including through innovative new projects and growth into new geographic regions.

## Accounting Principles

The annual accounts for Mission East have been presented in accordance with the Danish Financial Statements Act for Class A companies and generally accepted accounting principles.

### **Change in accounting principles**

In 2020, Mission changed its accounting policies regarding revenue recognition and accrual of the project revenue and cost income statement. At the end of 2020, Mission East conducted a financial review of revenue recognition policies.

### **Description of the change in accounting policies, both the old and new accounting principles**

The old accounting principles contained the following three principles to record income, receivables, and liabilities:

1. Signed contracts were recorded in full as a receivable (project debtor) and accrued income on P&L. The direct activity portion of contract was recorded as a liability (project commitment) and accrued project costs on the P&L.
2. When donor funds were received, the portion of the receivable was reversed. Accrued income was debited, and public income was credited.
3. When project expenditures were incurred, the corresponding liability was reversed, and accrued project costs were reduced (replaced by actual project costs).

The new accounting principles contained two new principles to better adapt to the standard accounting principles:

1. Project revenue and expenditure should not be accrued in the profit and loss account but should be recognized when it is used/earned.
2. Administration fee to be recognized as revenue when the project is incurred, and Mission East has earned the right to the fee.

Management agreed with these the new accounting principles and have fully implemented the new accounting principles in the conversion with the 2020 financial statements, to adapt them more to the principles and best practices.

### **Justification for changing accounting policies**

Changes in accounting policies have changed as, in practice, the change will, in management's view, help to give a more accurate picture of the financial position than the accounting policies used to date. It is the management's assessment that the new accounting policy will result in the recognition of project funds only by paying maintained costs as well as the recognition of administration fee when Mission East has earned the right to the fee.

### **The amount impact, both for current financial figures and comparative figures**

This change affected previous years' equity by shifting the project's revenue/costs and management fee revenue to the coming years. The change has affected the 2019 profit of +DKK 1.03 million, and 2019 the equity will change by -DKK 5.17 million.

### **Adaptation of comparative figures**

It should be noted that Mission East has adjusted the comparison figures for previous financial years to review the new accounting policies. This means that it is not possible to compare financial statements for 2019 with the comparison figures for 2019 in the 2020 financial statements.

Equity per 1 January 2019	- 5,087,493
Result for the year	960,402
Equity per 1 January 2020	- 4,127,091
Result for the year	2,981,725
Equity per 31 December 2020	- 1,145,366

All other accounting policies remain the same.

### **General recognition**

Income is registered when earned. For restricted funds this means that income is registered when the costs are incurred. The profit and loss account also includes all costs, including depreciation and amortisation.

Assets are recognised in the balance sheet when it is likely that it will be of future economic benefits to the organisation and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is likely that to organisation will incur future economic decrease, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each accounting item below.

### **Income Recognition**

Donations which are not restricted for a specific purpose are recognised on the income statement when received. In addition, other legally recognized revenues or pledges have been included.

Project restricted funds received are recorded on the balance sheet as a liability and are subsequently recognized as income at the point when costs are incurred on the project.

Project administration fees are calculated as a percentage of direct costs, according to a rate approved by the donor, and are recognized as income when earned proportionally to project costs.

### **Foreign Currency Conversion**

Transactions in foreign currencies are converted at a rate calculated as a monthly rate calculated as of the first of each month.

Receivables and liabilities denoted in foreign currencies shall be converted at the exchange rate of the balance sheet date. The resulting profit or loss shall be shown under financial items.

## **Profit and loss**

### **Costs**

Costs, including project costs, are expensed when a legal obligation has arisen to bear the relevant cost.

### **Staff costs**

Staff costs include salaries and social contributions.

### **Financial items**

Financial items include both interest on deposits with a financial institution and exchange adjustments.

## **Balance sheet**

### **Fixed Asset**

Fixed assets balance is recognised at cost less accumulated depreciation. The depreciation basis is the cost price less scrap value. Depreciation shall be made in equal amounts above the expected useful life. The expected useful life is 1 -5 years.

Repair and maintenance costs are expensed in the year they are incurred.

Profit or loss on disposal of fixed assets is recognised as the difference between the sales price reduced with direct sales costs and the book value at the time of sale. The amount is registered as part of the ordinary operation.

Deposits is measured at amortised cost price. To the extent deemed necessary, write-down to meet expected losses.

### **Receivables**

Receivables are measured at amortized cost. To the extent deemed necessary, write-down to meet expected losses.

### **Debt and liabilities**

All debt and liabilities are measured at amortized cost.

### **Contingent liabilities**

Contingent liabilities are not recognised in the balance sheet but are disclosed in the notes on the accounts alone. An obligation existing on the balance sheet date but not being possible to quantify the amount of the liability shall be deemed to be a contingent obligation.

## 2020 Profit and Loss Statement

Note	2020	2019
	DKK	DKK
<b>INCOME</b>		
1 Private Income		
Gifts	13.863.357	13.571.913
Private grants	13.146.092	14.586.732
Private Income	27.009.449	28.158.644
2 Public income	52.131.367	47.137.560
<b>Total Income</b>	<b>79.140.816</b>	<b>75.296.204</b>
<b>EXPENSES</b>		
3 Expenses funded by private donors	19.976.601	22.150.239
4 Travel	169.992	544.738
5 Staff costs	5.736.622	5.865.367
6 Public relations	184.917	245.376
7 Premises	806.517	806.303
8 Administration	613.106	1.032.273
Subtotal travel, staff, PR & administration	7.511.154	8.494.056
9 Expenses funded by public donors	49.584.449	43.705.234
Operating contribution	2.068.612	946.676
10 <b>Depreciation</b>	-	-
Income before financing	<b>2.068.612</b>	<b>946.676</b>
11 Financing net income	(913.113)	(13.726)
<b>Retained income</b>	<b>2.981.725</b>	<b>960.402</b>

## Balance sheet 31<sup>st</sup> December 2020

Note		<b>2020</b>	<b>2019</b>
		<b>DKK</b>	<b>DKK</b>
	<b>ASSETS</b>		
	<b>FIXED ASSETS</b>		
	Deposits	84.031	151.021
10	Plant and inventory	-	-
	<b>Total fixed assets</b>	<b>84.031</b>	<b>151.021</b>
	<b>CURRENT ASSETS</b>		
12	Liquid funds	13.409.678	8.789.360
13	Receivables from Public donors	1.982.140	3.491.350
14	Receivables from Private donors	1.851.573	6.853
	Receivables from staff	33.116	212.309
	Other receivables	7.372.693	3.789.129
	<b>Total Current assets</b>	<b>24.649.200</b>	<b>16.289.001</b>
	<b>TOTAL ASSETS</b>	<b>24.733.231</b>	<b>16.440.022</b>
	<b>LIABILITIES</b>		
15	<b>Mission East Equity</b>	<b>(1.145.365)</b>	<b>(4.127.091)</b>
	<b>Debts</b>		
16	Deferred Revenue, public donors	15.380.378	12.488.418
17	Deferred Revenue, private donors	4.905.116	3.189.032
	Debts ATP	402.947	-
	Staff liabilities	2.263.612	1.528.420
	Pension accrual	21.454	-
	Holiday pay accrual	1.834.497	1.042.234
	Audit	120.000	112.000
	Other liabilities	950.592	2.207.009
	<b>Total debts</b>	<b>25.878.596</b>	<b>20.567.113</b>
	<b>TOTAL LIABILITIES</b>	<b>24.733.231</b>	<b>16.440.022</b>



## Notes

### Note 1

	<b>2020</b>	<b>2019</b>
	DKK	DKK
<b>Private income</b>		
Unearmarked funds	12.249.726	10.123.890
Inheritance	272.018	1.876.150
Active Mission	0	61.935
Gifts for Afghanistan	39.875	60.969
Gifts for Armenia	576.028	116.475
Gifts for Bulgaria	0	500
Gifts for Iraq	101.105	1.079
Gifts for Lebanon	293.228	0
Gifts for Middle East	650	0
Gifts for Myanmar	13.633	21.378
Gifts for Nepal	82.100	180.799
Gifts for North Korea	211.360	1.076.367
Gifts for Romania	0	250
Gifts for Syria	21.200	8.800
Gifts for Tajikistan	2.434	43.322
AFG-NNF-002	722.199	0
AFG-NNF-001	0	591.301
AFG-JUST-001	0	250.000
ARM-GF-003	0	1.421.945
ARM-DNF-001	0	139.863
CISU-ME-20-21	51.567	0
DAN-NET-001	429.907	0
IRQ-DIOC-003	15.606	0
IRQ-DIOC-004	1.039.673	0
IRQ-DIOC-005	319.966	0
IRQ-DR-003	429.895	0
IRQ-ETL-003	0	500.000
IRQ-ME-005	0	18.889
IRQ-NNF-002	0	721.212
IRQ-NNF-003	1.000.000	0
KOR-BYG-001	60.239	67.452
KOR-FON-002	78.426	227.985
KOR-FON-002 '05	197.158	0
KOR-FUNDS-001	31.466	36.023
KOR-KIRK-001	45.179	50.589
KOR-ME-008	1.792	1.343.453
KOR-NNF-001	0	750.000
MYA-COME-006	35.490	250
NEP-AEC-007	0	51.125

**Note 1 (continued from previous page)**

	<b>2020</b>	<b>2019</b>
	DKK	DKK
NEP-DR-002	0	145.902
NEP-DR-003	452.810	470.338
NEP-LKM-005	274.559	317.485
NEP-ME-005	28.427	0
NEP-THK-001	0	5.097
TAJ-PAP-005	7.704.752	7.477.822
TAJ-PAP-006	226.981	0
<b>Total private income</b>	<b>27.009.449</b>	<b>28.158.644</b>

**Note 2**

	<b>2020</b>	<b>2019</b>
	DKK	DKK
<b>Income from Public grants</b>		
Lottery fund - TLAN	0	368.488
VAT compensation	32.272	37.904
Bladpuljen	50.819	43.172
SPA Program 18-21	23.218.438	20.760.457
AFG-GIZ-001	0	122.068
AFG-GIZ-002	1.861.691	0
AFG-OCHA-005	7.710.578	182.606
AFG-WFP-002	0	481.036
ARM-CISU-009	47.995	881.991
ARM-CISU-010	54	0
ARM-DMCDD-004	431.414	43.576
DAN-CISU-001	0	25.000
DAN-DMCDD-001	0	50.000
IRQ-BRAN-001	416.856	2.984.562
IRQ-BRAN-002	1.204.138	0
IRQ-EKLB-001	447.949	0
IRQ-GMFA-005	-1.228	2.705.813
IRQ-GMFA-006	6.389.650	3.549.827
IRQ-IHPF-005	-29.202	3.271.643
IRQ-IOM-001	2.576.367	0
IRQ-SHUM-006	0	903.682
IRQ-UNCF-004	0	2.661.533
KOR-NOR-001	-821.370	40.742
KOR-SDC-001	0	28.570
ME-CISU-019	3.241.684	1.985.949
MYA-CISU-002	26.197	1.191.238

**Note 2 (continued from previous page)**

MYA-DMCDD-001	325.798	0
MYA-DMCDD-002	27.511	0
NEP-DMCDD-006	607.939	333.340
NEP-DMCDD-007	632.409	353.685
SYR-SHUM-001 - HMC 2019-35300-001	3.675.510	23.427
SYR-SHUM-002 - HCE 2022-34707	41.847	0
TAJ-DIP-010	0	10.468
TAJ-EUA-024	16.050	4.096.781
<b>Total income public grants</b>	<b>52.131.367</b>	<b>47.137.560</b>

**Note 3**

	<b>2020</b>	<b>2019</b>
	DKK	DKK
<b>Expenses funded by private donors</b>		
Afghanistan	694.333	1.296.056
Armenia	1.075.870	382.016
Iraq	1.121.234	1.473.913
Mission East Deutschland	187.452	635.428
Myanmar	1.483.967	860.565
Nepal	1.222.005	684.506
North Korea	67.815	1.069.513
Syria	1.137.078	586.671
Tajikistan	712.918	1.325.763
AFG-JUST-001	0	217.391
AFG-NNF-001	0	563.144
AFG-NNF-002	687.809	0
ARM-DNF-001	0	121.620
ARM-GF-003	0	1.421.945
CISU-ME-20-21	51.567	0
DAN-NET-001	373.832	0
IRQ-DIOC-004	836.560	0
IRQ-DR-003	401.771	0
IRQ-EKLB-001	427.232	0
IRQ-ETL-003	0	467.290
IRQ-ME-005	0	18.889
IRQ-NNF-002	0	685.501
IRQ-NNF-003	952.377	0
KOR-BYG-001	52.382	58.654
KOR-FON-002	68.197	198.247
KOR-FUND-002	197.158	0
KOR-FUNDS-001	31.466	36.023
KOR-KIRK-001	39.286	43.990

**Note 3 (continued from previous page)**

KOR-ME-008	1.792	1.343.453
KOR-NNF-001	0	714.286
MYA-COME-006	30.166	250
NEP-AEC-007	0	44.457
NEP-DR-002	0	136.357
NEP-DR-003	423.187	439.568
NEP-LKM-005	261.485	302.367
NEP-THK-001	0	33.756
NEP-ME-005	24.719	0
TAJ-PAP-005	7.200.703	6.988.618
TAJ-PAP-006	212.240	0
<b>Total expenses funded by private donors</b>	<b>19.976.601</b>	<b>22.150.239</b>

**Note 4**

	<b>2020</b>	<b>2019</b>
	DKK	DKK
<b>Travel</b>		
travel expenses, accommodation	183.605	642.147
Allocation to countries	-13.613	-97.409
<b>Total travel</b>	<b>169.992</b>	<b>544.738</b>

**Note 5**

	<b>2020</b>	<b>2019</b>
	DKK	DKK
<b>Staff Costs</b>		
Danish official wages	4.954.399	5.229.788
Transferred to projects	-2.107.334	-1.279.860
Allocation to countries	-6.223.653	-6.107.175
Honoraria	104.834	89.761
Holiday provision Denmark	358.491	70.022
Pension Denmark	316.262	546.083
Other staff costs	231.730	256.502
Training	134.240	21.118
Holiday provision Belgium	512.271	-323.562
Pension Belgium	312.705	270.014
Office staff Belgium	7.142.675	7.092.675
<b>Total staff costs</b>	<b>5.736.622</b>	<b>5.865.367</b>

**Note 6**

	<b>2020</b>	<b>2019</b>
	DKK	DKK
<b>Communications</b>		
Campaigns	457.860	580.956
Consultancy	427.000	364.000
Periodicals	227.004	223.241
Marketing materials	144.121	187.031
Miscellaneous	128.746	124.458
Web site	24.629	34.889
Allocation to countries	-1.224.443	-1.269.199
<b>Total communications</b>	<b>184.917</b>	<b>245.376</b>

**Note 7**

	<b>2020</b>	<b>2019</b>
	DKK	DKK
<b>Premises</b>		
Offices rent	593.207	580.669
Utilities	114.854	130.038
Maintenance, cleaning	98.456	95.595
<b>Total premises</b>	<b>806.517</b>	<b>806.303</b>

**Note 8**

	<b>2020</b>	<b>2019</b>
	DKK	DKK
<b>Administration</b>		
Office expenses	196.560	203.127
IT costs	48.174	35.267
Office equipment	66.453	171.592
Telephone	94.324	69.272
Internet	38.324	18.372
Postage	12.668	71.223
Audit	139.875	127.749
Meetings	30.139	-12.797
Annual meetings (summit+AGM)	60.684	32.212
Membership fees	241.158	328.265
Subscriptions	145.845	188.531
Consultancy	128.247	0
Insurance	16.683	19.671
Transferred to projects	-606.028	-220.210
<b>Total administration</b>	<b>613.106</b>	<b>1.032.273</b>

**Note 9**

	<b>2020</b>	<b>2019</b>
	DKK	DKK
<b>Expenses funded by public donors</b>		
SPA Program 18-21	21.699.475	19.402.296
AFG-GIZ-001	0	122.068
AFG-GIZ-002	1.709.103	0
AFG-OCHA-005	7.206.148	170.660
AFG-WFP-001	0	449.566
ARM-CISU-009	44.855	824.291
ARM-CISU-010	50	0
ARM-DMCDD-004	403.191	40.726
DAN-CISU-001	0	25.000
DAN-DMCDD-001	0	50.000
DAN-TFAK-001	0	29.897
IRQ-BRAN-001	377.013	2.233.311
IRQ-BRAN-002	1.145.647	0
IRQ-DIOC-001	0	532.978
IRQ-DIOC-002	0	438.646
IRQ-GMFA-005	0	2.082.052
IRQ-GMFA-006	6.580.089	2.931.062
IRQ-IHPF-005	-27.292	3.057.610
IRQ-IOM-001	2.430.535	0
IRQ-SHUM-006 - HMC 2017-45155	0	858.498
IRQ-UNCF-004	0	2.510.880
KOR-NOR-001	0	38.802
KOR-SDC-001	0	26.701
ME-CISU-019	3.029.611	1.856.027
MYA-CISU-002	24.483	1.113.307
MYA-DMCDD-001	304.484	0
MYA-DMCDD-002	25.711	0
NEP-DMCDD-006	568.167	311.533
NEP-DMCDD-007	591.036	330.547
NEP-ECHO-005	0	408.439
SYR-SHUM-001 - HMC 2019-35300	3.418.225	21.787
SYR-SHUM-002 HCE 2020-34707	38.918	0
TAJ-DIP-010	0	9.783
TAJ-EUA-024	15.000	3.828.768
<b>Total expenses funded by public donors</b>	<b>49.584.449</b>	<b>43.705.234</b>

**Note 10**

	<b>2020</b>	<b>2019</b>
	DKK	DKK
<b>Plant and inventory</b>		
Opening fixed assets	0	0
Assets purchased during year	0	0
Total fixed assets	0	0
Opening depreciation	0	0
Depreciation booked this year	0	0
Total depreciation	0	0
<b>Net asset Value</b>	<b>0</b>	<b>0</b>

**Note 11**

	<b>2020</b>	<b>2019</b>
	DKK	DKK
<b>Financing</b>		
Interest income	-1.501	-3.845
Accounts corrections	47	-138.715
Exchange rates	-951.662	92.002
Bank charges	40.003	36.832
<b>Total financing</b>	<b>-913.113</b>	<b>-13.726</b>

**Note 12**

	<b>2020</b>	<b>2019</b>
	DKK	DKK
<b>Liquid assets</b>		
Cash DKK, in Denmark	4.548	26.803
Giro 773-1566	1.995	-196
Giro 1024-3327	72.177	-2.235
Giro NK 1091 8030	90.028	34.279
Danske Bank Internet Income 1446	40.319	3.382
Danske Bank 4130024033	4.260.046	346
Danske Bank 10343763	2.895.218	2.957.361
Danske Bank 3170647114	200.664	8.014
Danske Bank 4130015379	2.921.455	18.184
Danske Bank 3173089007	189.408	607.811
Danske Bank 3785046366 EUR	1.200	15.719
Danske Bank 3170491041 EUR	1.032.748	3.807
Danske Bank 3170512537 EUR	2.740	44.439
Danske Bank 3170505549 EUR	4.608	5.720
Danske Bank 4130007112 GBP	3.680	4.401
Danske Bank 3170479211 USD	0	570.338
Danske Bank 4130957145 USD	1.860	22.090
Danske Bank 3170243722 USD	2.383	3.116
Cash other currencies	30.917	12.930
Cash USD, in Denmark	8.116	8.956
Cash EUR, in Denmark	38	39
Cash GBP, in Denmark	2.844	3.017
Balance in Afghanistan AFN	9.277	127.895
Balance in Afghanistan USD	77.200	2.083.243
Balance in Brussels EUR	78.976	467.628
Balance in Brussels USD	15.923	7.540
Balance in Brussels other currencies	1.434	1.911
Balance in Iraq IQD	34.671	61.649
Balance in Iraq USD	1.042.026	724.409
Balance in Nepal EUR	11.505	22.849
Balance in Nepal NPR	76.653	39.494
Balance in Tajikistan EUR	193.445	732.117
Balance in Tajikistan TJS	94.817	170.184
Balance in Tajikistan USD	6.759	2.122
	<b>13.409.678</b>	<b>8.789.360</b>



**Note 13**

	<b>2020</b>	<b>2019</b>
	DKK	DKK
<b>Receivables from public donors</b>		
Lottery fund	368.457	374.735
AFG-WFP-002	0	131.976
ARM-CISU-010	54	0
IRQ-IHPF-005	1	1.922.719
IRQ-IOM-001	1.613.628	0
IRQ-UNCF-004	0	46.331
NEP-DMCDD-006	0	113.340
NEP-DMCDD-007	0	133.685
TAJ-EUA-024	0	768.563
	<b>1.982.140</b>	<b>3.491.350</b>

**Note 14**

	<b>2020</b>	<b>2019</b>
	DKK	DKK
<b>Receivables from private donors</b>		
NEP-Läkarmissionen-005	0	6.853
TAJ-PAP-005	1.851.573	0
	<b>1.851.573</b>	<b>6.853</b>

**Note 15**

	<b>2020</b>	<b>2019</b>
	DKK	DKK
<b>Equity / Reserves</b>		
Opening equity	-4.127.091	-5.087.492
Retained Income	2.981.725	960.402
<b>Closing Equity</b>	<b>-1.145.365</b>	<b>-4.127.091</b>

**Note 16**

	<b>2020</b>	<b>2019</b>
	DKK	DKK
<b>Deferred Revenue, public donors</b>		
SPA Program 18-21	0	21.298
AFG-OCHA-005	0	6.097.473
AFG-SPA-020 - HMC 2017-12470	32.683	0
ARM-CISU-009	0	47.995
ARM-DMCDD-004	139.905	206.424
ARM-FLX20-P0	348.937	0
IRQ-FLX20-P3	13.217	0
IRQ-IHPF-005	45	0
IRQ-SPA-020 - HMC 2017-12470	398.322	0
IRQ-UNCF-004	0	0
KOR-NOR-001	2.909.763	2.909.763
KOR-SDC-001	194.753	195.392
ME-CISU-019 - 18-2278-PR-sep	3.042.969	617.859
MYA-CISU-002	0	26.197
MYA-DMCDD-001	41.391	0
MYA-DMCDD-002	72.489	0
NEP-DMCDD-006	19.285	0
NEP-DMCDD-007	13.906	0
SYR-SHUM-001 - HMC 2019-35300-001	5.394.560	2.226.573
Prior year adjustment		139.445
SYR-SHUM-002 - HCE 2020-34707	2.758.153	0
	<b>15.380.378</b>	<b>12.488.418</b>

**Note 17**

	<b>2020</b>	<b>2019</b>
	DKK	DKK
<b>Deferred Revenue, private donors</b>		
AFG-NNF-002	277.801	0
ARM-FUND-001	350.000	0
ARM-GF-003	0	1
CISU-ME-20-21	35.618	0
DAN-NET-001	170.098	200.000
IRQ-DR-003	531.331	0
IRQ-ME-005	0	97.736
KOR-BYG-001	72.309	132.548
KOR-BYG-002	75.000	75.000
KOR-FON-002	318.462	78.426
KOR-FON-002 '05	0	460.694
KOR-FON-003	200.000	200.000
KOR-FUNDS-001	52.965	65.432
KOR-KIRK-001	54.232	99.412
KOR-ME-008	69.518	193.224
MYA-COME-006	6.498	0
NEP-DR-003	609.391	1.062.201
NEP-LKM-005	27.671	0
NEP-ME-005	31.573	0
SYR-ME-003	16.433	0
TAJ-PAP-005	0	524.357
TAJ-PAP-006	2.006.217	0
	<b>4.905.116</b>	<b>3.189.032</b>

**Note 18****Eventual obligations**

By the end of 2020 Mission East has obligations related to leasehold agreements of office in 9 different locations of approximately 145k DKK.

Furthermore, the Iraq country office is currently in negotiation with the authorities to get a waiver on fines which are related to non-payment of social security payments. The authorities have charged fines during a period where the tax-offices were closed for payments. As it was not possible for Mission East, as well as a number of other NGO's to pay during this period, the Management of Mission East does not acknowledge the fines, of around 600k DKK, raised by the authorities. In collaboration with a legal expert and other NGO's Mission East is negotiating for expect to get the waiver, which is why it has not been included in the accounts of 2020. It should also be mentioned that we have not received information about any fines on taxes, which it has not been possible to pay either during that same period.

Finally, under the current agreement with Mission East Germany, Mission East (Denmark), has agreed to ensure the equity of Mission East Germany is at least 20k EUR. By the end of 2020 it was 32k EUR.

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## Christian Pallson Nolsøe

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