

2020

2020

2020 FINANCIAL REPORT
ASSOCIATION SOS CHILDREN'S
VILLAGE CROATIA

A loving home for every child



SOS CHILDREN'S
VILLAGES
CROATIA

Income 2020	01.01.2020. - 31.12.2020.
Income from sponsors for running costs	6.564.743 kn
Local income from fundraising	25.247.359 kn
Government subsidies and grants	11.895.817 kn
Interest income	206.835 kn
Other local income	23.454 kn
Total	43.938.208 kn

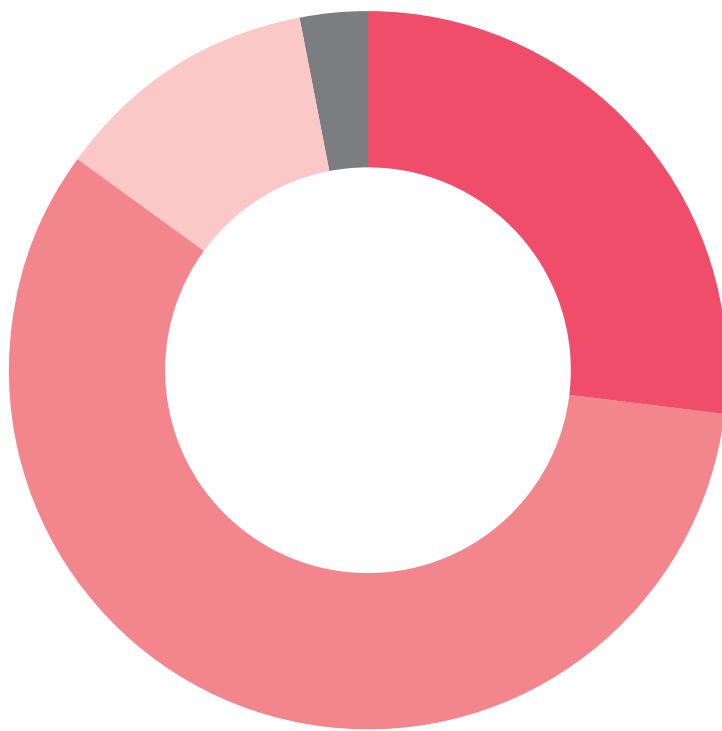
Income

Expenditures 2020	01.01.2020. - 31.12.2020.
Programme/project expenses	28.882.329 kn
Administrative expenses	5.234.770 kn
Fundraising expenses	5.224.965 kn
Long-term provision	414.882 kn
Other expenses	1.191.325 kn
Financial expenses	134.097 kn
Total	41.082.368 kn

Deficite after tax	2.855.840 kn
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Expenditures

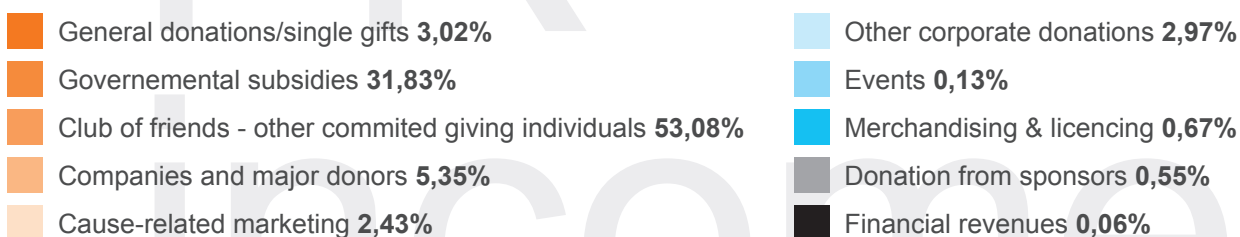
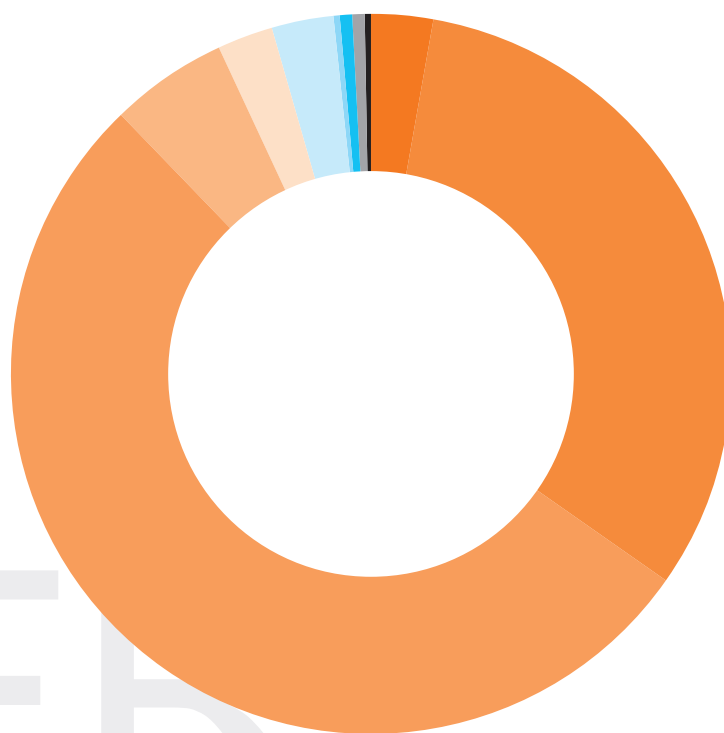
Incoming resources	01.01.2020. - 31.12.2020.
Subsidies from Ministry for demographic, family, youth and social policy	11.895.817 kn
FR income	25.477.648 kn
STS - SOS Kinderdorf international	5.475.714 kn
Other SOS asociations	1.089.029 kn
Total	43.938.208 kn



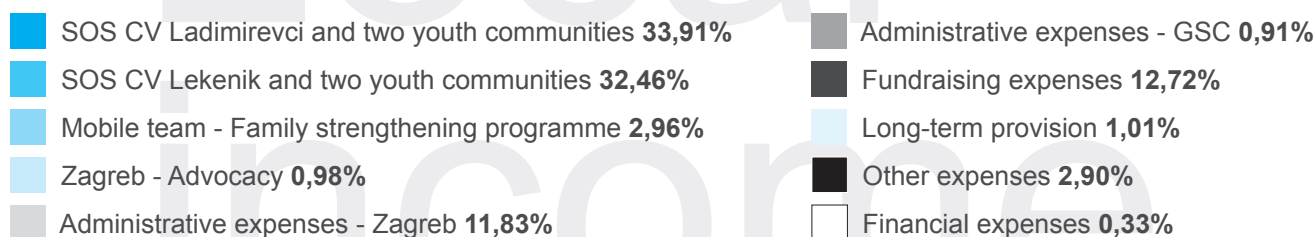
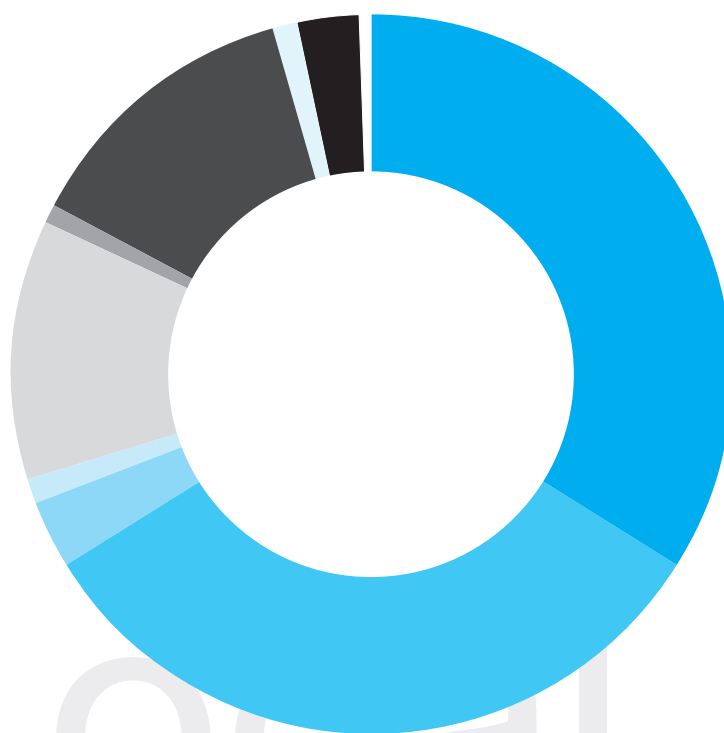
- Subsidies from Ministry for demographic, family, youth and social policy **27%**
- FR income **58%**
- STS - SOS Kinderdorf international **12%**
- Other SOS asociations **3%**

Incoming
resources

FR income	01.01.2020. - 31.12.2020.
General donations/single gifts	1.127.158 kn
Governmental subsidies	11.895.817 kn
Club of friends - other committed giving individuals	19.837.008 kn
Companies and major donors	2.001.259 kn
Cause-related marketing	874.906 kn
Other corporate donations	1.109.645 kn
Events	47.542 kn
Merchandising & licencing	249.841 kn
Donation from sponsors	206.835 kn
Financial revenues	23.454 kn
Total	37.373.465 kn



Programme/project expenses	01.01.2020. - 31.12.2020.
SOS DS Ladimirevci and two youth communities	13.932.551 kn
SOS DS Lekenik and two youth communities	13.334.591 kn
Mobile team - Family strengthening programme	1.214.132 kn
Zagreb - Advocacy	401.055 kn
Administrative expenses - Zagreb	4.862.036 kn
Administrative expenses - GSC	372.734 kn
Fundraising expenses	5.224.965 kn
Long-term provision	414.882 kn
Other expenses	1.191.325 kn
Financial expenses	134.097 kn
Total	41.082.368 kn



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AUDITOR'S REPORT ON THE
FINANCIAL STATEMENTS
OF ASSOCIATION SOS CHILDREN'S
VILLAGE CROATIA FOR 2020



Independent auditor's report to the owners of SOS DJEČJE SELO HRVATSKA

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of SOS Children's Villages Croatia, a non-for-profit organization which comprise the Statement of Financial Position as at 31 December 2020, the Statement of Comprehensive Income, the Cash flow Report and the Statement of changes in accumulated funds for 2020, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying annual financial statements present fairly in all material respects, the financial position of the Association as at 31 December 2020 and its financial performance and its cash flows for the year then ended in accordance with Law on financial operation and accounting for non-profit organization and International Financial Reporting Standards (IFRS).

Basis for opinion

We conducted our audit in accordance with the Law on financial operation and accounting for non-profit organization, the Audit Act and International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the Audit of the financial statements section of our report. We are independent of the Association in accordance with the Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board and the Management for the Financial Statements

The Board is responsible for preparing and fair presentation of these financial statements in accordance with IFRSs, 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 the process of preparation of the annual financial statements, the Board is responsible for assessment of going concern of the Association. The Association's financial statements have been prepared using the going concern basis of accounting. The use of this basis of accounting is appropriate unless management either intends to liquidate the Association or to cease operations or has no realistic alternative but to do so.

The management is responsible for overseeing the Association's financial reporting process.



Independent auditor's report to the owners of SOS DJEČJE SELO HRVATSKA (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

The objectives of our audit are to obtain reasonable assurance about 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 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 these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the planning and performance of the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude whether the accounting basis for going concern assumption used by the Management is appropriate and based the audit evidence we have obtained we conclude whether there is material uncertainty in relation to the events and conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that there is material uncertainty, we need to emphasize this matter in our audit report on the related disclosure or if this is not enough, we should modify our opinion. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. However, future events and conditions can cause the Association to interrupt the business operations and going concern assumption.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



**Independent auditor's report to the owners of SOS DJEČJE SELO HRVATSKA
(continued)**

We are required to 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.

Zagreb, 9 June 2021

Crowe Horwath Revizija d.o.o., Zagreb
Grand Centar, Hektorovičeva 2
10 000 Zagreb
Croatia

A handwritten signature in blue ink, appearing to read "Sonja Hecker Tafra".

Sonja Hecker Tafra
Direktor, Hrvatski ovlaštteni revizor, FCCA

SOS Children's Villages CROATIA
 Annual Financial Statements for the year 2020

STATEMENT OF COMPREHENSIVE INCOME

In HRK

INCOMING RESOURCES	Note	31.12.2020			31.12.2019		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
Income from Abroad		6,564,743	-	6,564,743	8,148,563	-	8,148,563
Income from PSAs for RC	3.1.1	6,564,743	-	6,564,743	8,148,563	-	8,148,563
Income from PSAs for CC		-	-	-	-	-	-
Local income		37,350,011	-	37,350,011	36,581,980	-	36,581,980
Local income from Fundraising	3.2	25,247,359	-	25,247,359	23,887,541	-	23,887,541
Local income from Government Subsidies and Grants	3.3	11,896,817	-	11,896,817	12,479,022	-	12,479,022
Operational Local Income		-	-	-	-	-	-
Other Local Income	3.4	206,835	-	206,835	215,417	-	215,417
Total income		43,914,754	-	43,914,754	44,730,543	-	44,730,543
EXPENDITURE							
Program/Project Expenses	3.5	28,882,329	-	28,882,329	29,389,166	-	29,389,166
Administrative Expenses	3.6	5,234,770	-	5,234,770	6,158,663	-	6,158,663
Fund-raising Expenses	3.7	5,224,965	-	5,224,965	5,274,232	-	5,274,232
Long-term provision	3.8	414,882	-	414,882	1,472,751	-	1,472,751
Other Expenses	3.9	1,191,325	-	1,191,325	1,233,766	-	1,233,766
Total Expenditures		40,948,271	-	40,948,271	43,528,578	-	43,528,578
Net surplus/deficit on operating activities		2,966,483	-	2,966,483	1,201,965	-	1,201,965
Income/Expenditure from Financial Activities							
Financial income	3.10	23,454	-	23,454	57,764	-	57,764
Financial expenses	3.10	(134,097)	-	(134,097)	(149,733)	-	(149,733)
Total from Financial Activities		(110,643)	-	(110,643)	(91,969)	-	(91,969)
NET SURPLUS/DEFICIT BEFORE TAX		2,855,840	-	2,855,840	1,109,996	-	1,109,996
Income tax Expenses		-	-	-	-	-	-
NET SURPLUS/DEFICIT FOR THE YEAR		2,855,840	-	2,855,840	1,109,996	-	1,109,996

A loving home for every child

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**SOS CHILDREN'S
VILLAGES**
CROATIA